THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

Largest Circulation of All Canadian Financial Papers

Vol. XXXV | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, JANUARY 11, 1941 | 10c a Copy: $5.00 a Year | No. 2

The Nation's Business

Tourist Business Is Export Trade

Canada's tourist business should be made a responsibility of the Department of Trade and Commerce. Scenery and recreation are important items in Canada's export account. Their sale to American tourists calls for as much aggressive merchandising as the sale of any other Canadian product.

Up to now tourism has been lodged in the Department of Transport. The Department of Transport is at present without a full-time minister at its head. Since the death of Col. V. I. Smart it has had no deputy minister. The time is opportune therefore to make the suggested change.

Much of the present work of the Department of Trade and Commerce is necessarily in suspense until after the war. The Department has, in fact, a surplus of talent which could be used to excellent advantage in putting more steam into our tourist activities.

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Col. Smart was chairman of the newly formed Interdepartmental Advisory Committee on Tourist Trade. He held this position not because of any great interest or enthusiasm for the tourist trade but because many years ago when the Canadian Travel Bureau was formed with Leo Dolan as director, this bureau was added as an appendage to the Department of Railways and Canals, now the Department of Transport.

As deputy minister of the department, Mr. Smart became the nominal head of the committee, formed last year to put some business drive behind the terribly important business of merchandising Canada's tourist attractions in exchange for badly needed U. S. dollars.

After this interdepartmental committee held its first federal-provincial meeting last October, The Financial Post urged that instead of being an offshoot of the Department of Transport, tourism should be promoted to a front-line position in the Department of Trade and Commerce.

In this department it would have the departmental leadership of aggressive, able L. D. Wilgress.

It would be under a minister, Hon. James A. MacKinnon, who has already shown a keen personal interest in such tourist attractions as the Canadian booth at the New York World's Fair.

It would be the direct interest of Canada's efficient, imaginative trade commissioners.

In fact, if tourism were placed in this department it might be possible to finance needed and useful additions to the trade commission service throughout the United States.

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The New U. S. Policy And Its Effect on Us

President Roosevelt's "all-out" plan of making American production available to Britain is bound to influence the character of Canada's war industry development.

From now on Britain, in war buying, will be able to choose between Canadian plants and United States plants. When something is needed she will decide whether it can be most quickly or most economically obtained in Canada or in the United States.

It is fortunate indeed that the Minister of National Defense, the Minister of Munitions and Supply, and some of their key advisers should have been in England during these recent days when American policy toward the war has been shaping itself. There is need for clarification of Canada's place in war production.

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Last summer Canada was thrown upon its own in war supply. Britain could no longer furnish us with key materials and the United States was not ready to manufacture them. We jumped into plans for the production of a wide variety of highly technical products. We put a heavy load on Canadian industrial genius but we had the satisfaction of knowing that, where we succeeded, not only would we help speed victory but we would be acquiring new industrial skills that would serve us in the post-war years.

Now the whole of American industry has been made available to Britain for the production of its war needs. In many fields Canada cannot compete with American factories on the basis of cost. It follows, then, that the new American policy of "Take what you need; pay us back when you can" will divert to American plants many war orders that might otherwise have been placed in Canada. Where we have plants on the way or in production orders will be placed in Canada. Where we can promise earlier deliveries or lower costs we shall get the job to do. But we must not expect a diversified British orders as seemed to be in prospect last summer.

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In fact in recent weeks some development that had been expected in Canada have failed to come off.

(Continued on page 2, col. 3)

Beatty Sees Peak Level Of Activity

C. P. R. Head Objects To Special C. N. R. Advantages in Developing War Industries

From Our Own Correspondent

MONTREAL.—Sir Edward Beatty, chairman and president of the Canadian Pacific Railway, foresees greater business activity in Canada than ever before in history, more general employment and fair wages for everyone. Accompanying this, he forecasts, will come more traffic for the railways, more output for mines, lumber camps and certain types of agriculture.

In his annual address to the Canadian Pacific Railway luncheon club at Montreal, he said:

"We must keep our heads and realize that this is not prosperity but real effort—an all-out attempt to work harder, produce more, and live more simply. We must save to pay taxes and to lend to the Government."

Sir Edward spoke regarding "special advantages" given to the nationally-owned railway. In this connection he said:

"It has been most unfortunate that, owing to the possession by the state of a railway system which has involved the public treasury in colossal losses, there has been a very real pressure on the Government to make some effort to give the publicly-owned railway an advantage over this company in connection with the development of war industries. It has been the duty of the management of this company to impress on the Government that those Canadian citizens who are in the employ of the Canadian Pacific Railway are as much entitled to share in the stimulated business activities of the nation as are the workers of the competing system."

Location of Industries

Sir Edward said that he did not refer to the advantage enjoyed by the competing system in the possession of the Intercolonial Railway, which was the only route available for the movement of troops between Montreal and the Maritime ports when navigation ceases annually on the St. Lawrence River. However, he did say, as quoted in the Canadian Pacific staff bulletin, that the special advantages given the competing railway in connection with the location of war industries had been one factor in enabling that system to make a more impressive financial recovery than the Canadian Pacific.

Unfavorable Items

In discussing operating results for the Canadian Pacific last year, Sir Edward pointed out that while the company's steamships were employed, many of them were operating under charter to the British Admiralty. "This means that they

(Continued on page 2, col. 3)

Rogers-Majestic May Sell Assets

Negotiations Under Way For Sale of Substantial Portion of Properties

Officials of Rogers-Majestic Corp. advise The Financial Post that negotiations are taking place in connection with a proposed sale of a substantial portion of the assets of the company. The company states there is no assurance at this stage that the deal will be completed.

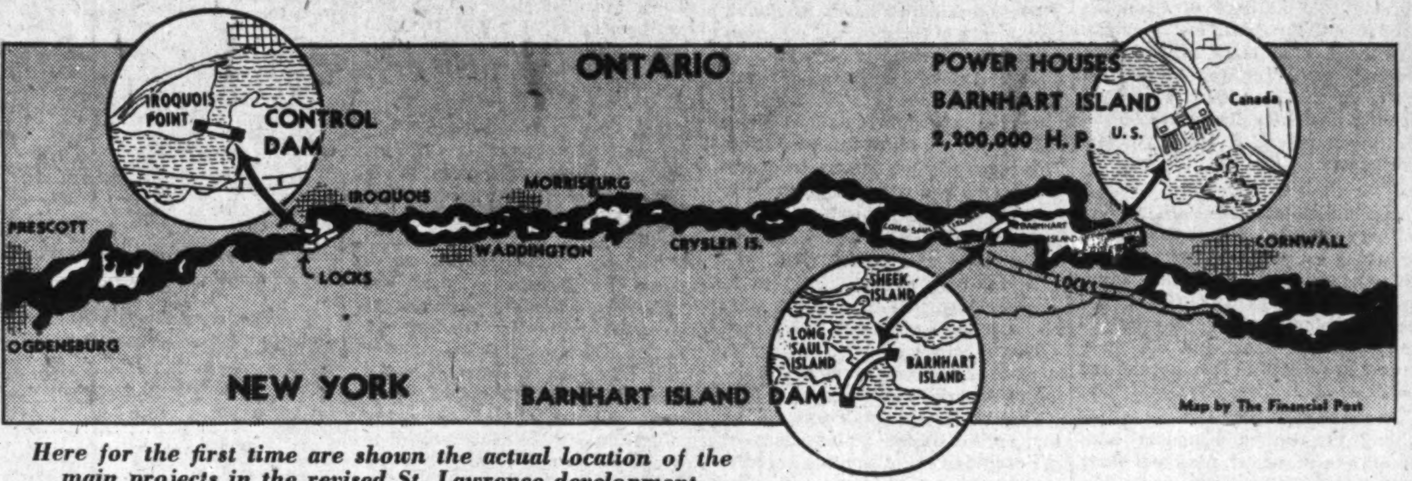
Rumors of important changes in the company's set-up have been current for several months. Activity in the company's shares on the Toronto Curb Exchange increased sharply recently with 4,362 shares traded in two days and a rise in price from $2 to $4 a share. Under ordinary circumstances the company's class A shares are quite inactive. Around the end of November 5,075 shares changed hands in four days, but no change in price resulted.

Rogers-Majestic owns a manufacturing plant in Toronto in which it makes radio receiving sets and tubes and household electrical equipment. It also owns radio station CFRB through Rogers Radio Broadcasting Co. The last annual report shows the broadcasting station and studio at $311,788, the factory property at $714,969, and tube making machinery and equipment at cost of $234,324. Against this reserves for depreciation totalling $545,187 had been set up.

Disher Steel Sets Record

Tonnage of steel products handled by Disher Steel Construction Co. in 1940 was at a new record and several times that of any recent year, company officials state.

Profits, however, are another question which cannot be answered until it is known what the company's tax payments will be. Under the Excess Profits Tax, Disher Steel has practically no standard profit as recent years have resulted in only nominal earnings. It has also written down its invested capital to low levels. Thus, unless some favorable decision can be obtained from the Board of Referees, practically all of last year's earnings would have to go to the Government. Full dividends were paid on the class A last year, first time since 1932.



Here for the first time are shown the actual location of the main projects in the revised St. Lawrence development.

Broadcast First to Canada Direct From South America

The forceful message of Canada's opportunity in South America, broadcast direct from Buenos Aires by Ronald A. McEachern, The Financial Post's flying news editor, is being heard again this week over the national network of the CBC.

In the first broadcast on record direct from South America to Canada, Mr. McEachern last Saturday gave striking highlights of conditions he found on his present tour of the southern continent. His talk, which came over the 7,000 miles from Argentina with remarkable clarity, brought into sharp focus the opportunities for trade, cultural ties and other relationships between Canada and South American countries.

Mr. McEachern's vivid report on what he has seen and learned in the course of his two-months tour of South America, is being rebroadcast over the CBC national network Thursday, Jan. 9, at 7 p.m. eastern daylight saving time. It will be repeated later over the western network to enable evening listeners in the West to hear it.

The recording for the rebroadcast was made partly because of the important nature of the talk, partly because of the new precedents established by the CBC in facilitating the project. Not only is it the first direct broadcast from South America to Canada, but it is one of the longest direct radio links ever established in Canadian radio operations.

A few South American broadcasts had been heard previously in Canada, but they were relayed into this country by U. S. broadcasting chains and were South American or U. S.-sponsored programmes, rather than entirely Canadian in source and sponsorship as was Mr. McEachern's broadcast.

Mr. McEachern's tour, representing The Post and sister publications of the MacLean Publishing Company, this week takes him to Sao Paulo and Rio de Janeiro in Brazil. His important article on his observations in Peru appears in this issue.

Building Total Best in 10 Years

Volume of Contracts Gains 8.5% Over 1939 — War Boost

Vast war demands for defense, training and industrial structures swelled building operations in 1940 to the greatest volume since 1930, it is shown by final figures for last year issued by MacLean Building Reports. Total for the year shows a gain of 85% over 1939 and is nearly 10% higher than 1931.

Volume for 1940, as reflected by total outlay involved in construction contracts awarded, is set at $346,009,800. This is an increase of $158.8 millions over 1939 and is $30 millions above the 1931 total of $315.5 millions.

Last year's achievement also compares favorably with the level of $457 millions set in 1930, when the construction industry had not yet begun seriously to feel the pinch of the depression. The 1930 total closely approximates the average of contracts awarded for the four years 1928-31 inclusive ($455 millions).

Pace Maintained

Operations during December were maintained at the same high level set for the year as a whole and indicated that activity will hold at the 1940 pace in coming months, if not well into the year. Contract awards in the final month of last year are reported at $16.9 millions, a jump of over 79% above Dec., 1939. Big awards for war factories in Montreal and Vancouver and air training or defense projects in various parts of the country swelled the December figure.

Ottawa is Butt Of Discontent

Rising Protest Heard Against Rent, Butter and Labor Policies

From Our Own Correspondent

OTTAWA.—As the screw of war necessity continues to tighten, the strain on the general economy becomes more severe and public dissatisfaction with one or other phase of government economic policy increases.

Of chief importance at Ottawa this week was the rising volume of protest against the butter price peg, announced by the Wartime Prices and Trade Board on Dec. 28. Protests come and are continuing to come from every section of Canada, from farm organizations, provincial governments, the trade—from every interested party except the consumers. And even here, the reaction has demonstrated that a sudden rigid freezing of prices will cause intolerable hardship on some sections of the community.

As the war strain increases the task of the Government becomes more and more difficult and the absence of co-ordination more and more marked. There is, as yet, no evidence of a clearly thought out policy and, meantime, different classes and sections are complaining.

So far there have been three decisions in this field, affecting two very large sections of the community and one influential class.

Rents in districts where an acute shortage of houses exists have been pegged as at Jan. 2, 1940. The indi-

(Continued on page 2, col. 6)

Planning Now Outlaw Strikes

But Complete Ottawa Labor Policy to Evolve Gradually

From Our Own Correspondent

OTTAWA.—Two further steps in wage regulation in wartime industry are in contemplation by the Government.

It is conceded that the wage ceiling order-in-council of Dec. 19 is a compromise. It does not reflect the full policy which it is hoped will be applied later on. There are two further steps which have to be taken, but there is still no indication as to when the Government will take them.

Labor's Right to Strike

The order of Dec. 19 was complete in setting up 1926-29 as the yardstick for wages in war industry. But it does not interfere with labor's right to strike and it does little to facilitate the setting up of conciliation boards under the Industrial Disputes Investigation Act. It is thought that in order to obtain uniformity of wage and hours of labor regulation it is necessary to have thoroughly competent and experienced chairmen for the conciliation boards. As the I.D.I.A. now stands, the employers and employees choose their representatives for the board and these two then select the chairman. Only in case of disagreement does the department of labor decide.

The first of the two remaining moves on the wage front will be for the Government to draw up a panel of experienced chairmen and the selection will then be made automatically from this panel.

To Outlaw Strikes

The second and vital step will be to make the findings of the conciliation boards binding. Strikes in war industry will be outlawed.

In the present somewhat strained relationship between labor and the department of labor it will be a little time before these moves can be made. Organized labor is critical of the performance of the Government since Nov., 1939 when the I.D.I.A. was first extended to war industry. A detailed digest of Government policy has been made by C. S. Jackson, vice-president of one of the larger unions, which draws definite conclusions from Government policy in the year Nov., 1939 to Oct., 1940. These conclusions are that the department of labor has consistently worked against the interests of labor.

Clouds Continue to Hover Over Sirois Conference

From Our Own Correspondent

OTTAWA.—With the Sirois Report conference only a few days away, there is no break in the clouds which hang over this meeting because several provincial governments plan to resist adoption of the recommendations.

The present tendency seems to be for the Government to back away from even the semblance of a serious disagreement. The ministry seems to be losing what vigor it had a few months ago in pressing for the Report. Under these circumstances there are likely to be some good opening speeches from Mr. King and his colleagues in favor of the report and then a quick wind-up.

The opening of the conference coincides with an unforeseen political disturbance in the country. Disaffection is boiling up among labor people, farmers and others. There are too many loose handles lying about with which opponents of the Government may do damage, to risk a first-rate row on the constitution.

The War And Business . . . A Weekly Round-up

Duncan's Successor

Logical successor to James S. Duncan as civilian chief of the Empire Air Training Scheme is believed by many well-informed groups in Ottawa to be H. G. Colebrook. Whether or not Mr. Colebrook would accept the title of deputy minister for air, now held by Mr. Duncan, is uncertain. But he would no doubt insist upon as free a hand and as much authority as was accorded to Mr. Duncan.

Mr. Colebrook is recognized as one of the most able business executives at Ottawa. In civilian life he is director and general merchandising manager of the Robert Simpson Co., Toronto. At Ottawa he has been in charge of supply for the Air Ministry and a member of the Wartime Requirements Board.

The Air Training Scheme is one of the greatest successes of the war. Credit for this is shared by many people, but rightly the lion's share has gone to Hon. C. G. Power, the minister, and Mr. Duncan, his forceful deputy. Mr. Colebrook takes second place to neither of these men in executive ability.

* * *

Quebec Relief

Government officials will be poring over Dominion-provincial statistics next week in the hope of finding an answer to pressing war and post-war finance problems. They might give special study to a significant figure embodied in the new National Relief Registration report published this week.

The report shows that in Sept., 1940, Quebec, with 28% of total population, had 50.2% of all persons on relief in Canada. A year ago the relief percentage was 37.8. In Sept., 1938, it was only 28.3.

Why are Quebec's relief rolls not dropping in line with the other provinces?

* * *

Seaway Pow-wow

It is expected that the Quebec delegation to the Rowell-Sirois conference will go to Ottawa a day early for a confidential pow-wow on the St. Lawrence Seaway.

The whole programme probably will be outlined in detail in the hope of obtaining Quebec's support for the present proposals.

New Taxpayers

The week has produced from high places many newsworthy facts and figures.

In his first press conference this week, Hon. Colin Gibson, Minister of National Revenue, said the number of Canada's income taxpayers will jump in 1940 by one million. The former figure was 264,000.

Income taxes and E. P. T. revenue on 1940 earnings he now estimates at $375 millions. The breakdown: Defense tax, $35 millions; individual income tax, $110 millions; corporation taxes, $130 millions; E. P. T., $100 millions.

* * *

C. Fraser Elliott, K.C., Commissioner of Income Tax, in a speech at Toronto, told where the Government expected to find its million new income taxpayers.

His analysis: 450,000 persons with an income of $1,200; 375,000 single men with income of $600 or more; 225,000 single women who receive over $600; 160,000 newly employed workers.

Mr. Elliott showed how income tax payments had skyrocketed in recent years. For 10 years prior to 1933 the average collection was $60 millions annually. By 1940 it had jumped to $140 millions; in 1941 it will be $270 millions; in 1942, $365 millions or $1 million a day. The figures in each case refer to government fiscal year ending Mar. 31.

* * *

Air Accidents

At Winnipeg James S. Duncan, Acting Deputy Air Minister, has faced frankly the problem of air-training crashes which have been tragically in the news the past few days. He said:

"There have been 29 fatal accidents in the Air Training Plan since it began. In the same period there have been 168,000 flying hours put in. That means for every accident there have been 5,800 hours of flying.

"We have not encountered as many accidents as British experts expected we would."

* * *

U. S. Gold

The U. S. has been totalling up its year-end gold supply. It finds that hoard has risen to $22 billions—an increase during the year of $4 billions. The U. S. now has 75% of the world's known supplies. It compares with $6.8 billions after revaluation in 1934.

Shipments from Canada, according to official monthly figures released in the U. S., were approximately $2.5 billions in 1940. Of this more than one quarter came in one month—June. Bulk of these shipments from Canada represent, of course, reshipment of Transvaal arrivals, plus English and French gold.

Significant is the fact that total December imports to the U. S. from all countries is down to the lowest point in perhaps two years. In one week last month shipments dropped to the lowest weekly point in many a long day.

* * *

Looking Ahead

Looking into 1941 Major George Fielding Eliot summarizes the war outlook as follows:

The Battle of Britain resolves into three phases: The Battle of Production, the Battle of Transportation, and the Battle of Combat.

The Battle of Production—"We are in a fair way to win and shall certainly win if given time."

The Battle of Transportation—"For the moment the crucial struggle. It demands more merchant shipping, more escort craft for convoys, more long-range fighters and flying boats . . . also a solution of the problem of Irish bases."

The Battle of Combat—"Is dependent on the other two which are constantly in progress."

His summary—"More clearly than at last year's end, time is working against Germany." She "must win the Battle of Britain during the first six months of this year or abandon hope of winning it."

* * *

As yet President Roosevelt has not disclosed how he plans to aid in the Battle of Transportation. That he does intend to give aid in this most crucial sector is indicated when he said to Britain (via Congress), ". . . we shall send you in ever-increasing numbers, ships, planes, tanks, guns."

Note the difference from the "come and get" approach of the earlier days of the war.

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Grierson and Savings

John Grierson, it appears, is going to stay on as National Film Commissioner. The misunderstanding about his recent resignation is being cleared up.

As we urged a few weeks ago, Mr. Grierson's imaginative genius should be put to work at once on a "documentary" film to boost war savings certificate sales.

* * *

Marking Time

Some new orders are being received from Britain. For example, the demand for explosives is constantly rising, necessitating either enlargement of some present plants or the building of new plants.

But by and large the direction of Canada's munition and supply effort cannot be further defined pending the return of Messrs. Ralston, Howe and their aids.

Studies as to potential bottlenecks, questions of priorities, etc., are being carefully made. But the 1941 procurement programme is marking time until more clear-cut decisions are made as to whether Canada will continue to spread herself across a wide field of armament manufacture, or concentrate on a few main items (chiefly raw materials, natural resource products, etc.) which the Dominion could supply very quickly in volume.

* * *

Canada's Voice

National Broadcasting Co. started the new year by inaugurating two new short-wave broadcasting services to Latin American countries "to help promote solidarity in the western hemisphere and combat Axis propaganda." The new services will reach 20 countries and will be available to local stations for rebroadcast without charge. News reports will take 15 minutes of each hour.

This puts Canada (without a single high-powered short-wave station) one peg farther back in the increasingly vital radio world.

For the price of one modern bomber Canada could have purchased a powerful short-wave unit a few weeks back. Apparently both the Government and the CBC muffed the opportunity.

Seaway Deal Slated Before End of Month

Broad Scheme for $325 Millions Power and Waterway Development Likely to go to U. S. Congress by Feb. 1

Signing of a new $325 millions St. Lawrence power and seaway treaty or agreement is expected within 20 days. By Feb. 1 Franklin D. Roosevelt hopes to present the fait accompli to Congress as a major feature of his "all-inclusive national defense" policy.

As late as this week there were two alternate programmes—the one a treaty, the other an "agreement." Before the documents are signed the Roosevelt administration must decide which one it will offer to Congress.

Canada would prefer a treaty. But if Mr. Roosevelt decides that a treaty is not politically feasible because of the troublesome two-thirds Senate majority which all treaties need for approval, then it will be the agreement that is signed by the two nations.

In either case, the U. S., under the new St. Lawrence programme, will agree to construct and finance some $250 millions of waterway and power works in return for what Canada has already done in deepening the Welland canal and what she has done and is willing to agree to do in deepening the lower channel to Montreal.

There will be no expense to Canada for this. Even if the cost estimates exceed those now being worked out, it will be the U. S. that will foot this bill.

This is the nub of the new programme. There are other important clauses—water diversion at Ogoki and Long Lac; scenic control and additional water diversion for power purposes at Niagara Falls; another attempt to settle the long-standing Chicago diversion.

Of transcending importance is the undertaking whereby the U. S. agrees to build and pay for a 27-30-foot waterway in the international section of the river between Prescott and Cornwall, as well as an 85-ft. power dam and substructures at Barnhart Island from which can be developed, subsequently, 2.2 million horsepower of electric energy.

Once this main work is completed, the U. S. will spend, according to present plans and probably through the New York Power Authority, an additional $25 millions for power turbines, superstructure, etc., on its side of the international border. This will permit the U. S. to obtain its 50% share (1.1 million horsepower) of the power development.

At some future date Ontario, by making a like expenditure of $25

(Continued on page 2, col. 7)

Amortization No Bugbear

Mine Contest Entrants Need Not Tabulate Return Of Capital

In spite of the statement in The Post last week, entrants in the "Investing in Canada's Mines" contest are still asking about "the likely net yield after amortization if possible" phrase in the contest's conditions.

Once more it must be stressed that no tabulation of the rate of return of capital is essential. There are many good mines in Canada for which an accurate estimate is not possible.

What is wanted in entries is the best information possible on what the investor can expect from the shares the mine contestant selects for a portfolio. It is not desired to sacrifice attractive mine possibilities because a large reserve of proved ore is not reported. The Post merely wants contestants not to overlook mine "life" in their discussions.

For those who did not see previous announcements in the last two issues of The Post, the "Investing in Canada's Mines" contest is open to everyone — subscribers and non-subscriber alike. First prize is $100, second prize $50. A number of honorable mention awards will also be made for other published entries which will be paid for at space rates or approximately $25 apiece.

C.P.R. Shares Lead In Stock Trading

From Our Own Correspondent

MONTREAL.—Canadian Pacific Railway ordinary shares proved the most active trading medium on the Montreal Stock Exchange and the Montreal Curb Market during 1940. The second in order of volume of trading, according to a list compiled by the Exchange, was Consolidated Paper, followed in order by Abitibi com., Brazilian, Montreal Power, Dosco and Imperial Oil.

Wenner-Gren Article Stirs Repercussions

Spotlight thrown by The Financial Post last week on Axel L. Wenner-Gren, Swedish arms magnate who recently gave $10,000 for research to the University of Toronto, has aroused widespread interest and caused some repercussions. Also, some further details have come to light bearing on the activities of this international industrialist.

The record of Mr. Wenner-Gren's activities during the past two years, as compiled by The Post, ended with the recent return of Mr. Wenner-Gren to Nassau when his 338-foot yacht, the "Southern Cross," took the Duke and Duchess of Windsor back to the Bahamas from Miami.

On New Year's Eve, according to later reports, Mr. and Mrs. Wenner-Gren accompanied the Duke and Duchess of Windsor in the vice-regal party at the gala opening of the Jungle Club at Nassau. The function was organized in aid of the Bahamas War Committee Fighter Fund. In addition to the Duke's aides and their wives, the vice-regal group also included Alfred P. Sloan, head of General Motors Corp., and his wife.

Offers Gift in Nassau

Also it is reported that charities in which the Duchess of Windsor is active are suggested beneficiaries of a gift of £1,000 from Mr. Wenner-Gren. According to a report in the Toronto Daily Star of an interview with Mr. Wenner-Gren in Nassau, this gift would be part of a contribution of £5,000 he has offered to establish a fund to promote social research, training schools and other social welfare work among the native population of the Bahamas.

In the course of the Star interview, Mr. Wenner-Gren avowed unconcern in regard to The Financial Post's review of his activities and connections and remarked, "These are difficult times, in which men live with suspicion perched on their doorstep."

To illustrate the "amusing situation" in which he feels himself to be placed, Mr. Wenner-Gren cited an attack he said the German press had made on him recently, on the ground that he was a champion of "international Jewry" and that his wife was a Jewess. Mrs. Wenner-Gren (the former Marguerite Liggett of Kansas City) was declared by Mr. Wenner-Gren to have "not a drop of Jewish blood in her veins."

"Ignore Suspicion"

Mr. Wenner-Gren felt that he could "well afford to ignore suspicion" when he was "attacked" on the one hand by the press of Germany and on the other by a Canadian newspaper. He had withdrawn from active business life, he said, and was primarily interested in humanitarian welfare through social and scientific progress.

The Nassau report mentions that he had employed 700 Bahamans in remodelling and landscaping his estate, had established a fish canning industry giving employment to 300 workers and fishermen, and was developing a model township adjacent to his estate.

Beyond declaring himself unruffled by "attacks that can have no foundation in fact," Mr. Wenner-Gren made no allusion to the persistent reports cited in The Post of his friendship with Field Marshal Goering. Nor did he deny or otherwise deal with the statements, made in such reputable journals as the New York Times, that he acted at the instance of Goering in the mediation which led to the Russo-Finnish negotiated peace.

Just prior to this activity, The Post article brought out, he travelled to Europe on the same ship as Sumner Welles, special U.S. emissary to for-

(Continued on page 2, col. 4)

Make Sure You See—

McEachern's Visit to Peru

Finds Peru Strictly—p. 9.
Canadian Trade With Peru—p. 11.

How Kerr-Addison Grows With Depth

Deeper and Richer—p. 15.

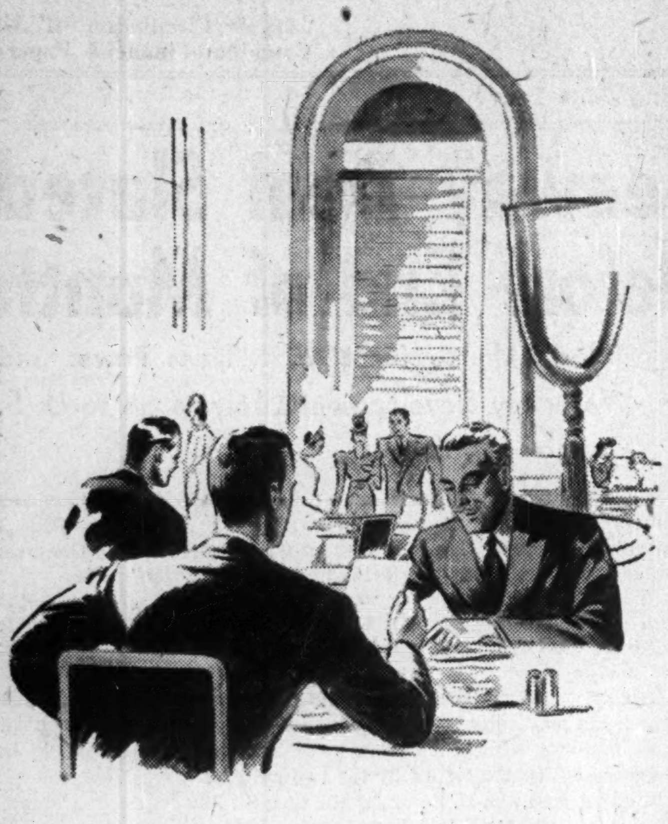
Winter Tourists Aid the War Effort

Snow Resorts Help—p. 11.
Bigger Effort Needed—p. 11.

New Factors Hurt Newsprint Demand

See Lower Newsprint Sales—p. 4.

at EATON'S



A BOON TO BUSY MEN!

The Georgian Room

Quick Service Section

Breathes there the man who doesn't enjoy good food, properly served, in pleasant surroundings? At EATON'S Georgian Room, we've arranged it so that you can enjoy these things to the utmost without having to sacrifice a couple of hours of your business day to do it! For the convenience of those who have no time to waste at lunch, we've instituted a section especially devoted to speedy service. If you're in a hurry, ask to be shown to this section . . . you'll find the wonderful food and the quick service a welcome combination!

BUSINESS MEN'S LUNCHEONS

Every day in the Georgian Room we provide a variety of Business Men's Luncheons. They are designed to be satisfying but not heavy . . . intended to put you in good form for a hard afternoon's work. The prices are always moderate.

Drop in to the Georgian Room for lunch tomorrow. It's a pleasant habit to form!

An express elevator, situated Yonge Street—Centre, runs direct to the Georgian Room.

MAIN STORE—NINTH FLOOR

THE T. EATON CO LIMITED
TORONTO CANADA

A Load off His Mind

All his valuable papers are now kept in a Safety Deposit Box of Imperial Bank, where they are free from risk of fire, burglary or loss. A Safety Deposit Box can be rented at a cost of less than one cent a day. Consult the manager of the most convenient branch of this bank.

IMPERIAL BANK OF CANADA

258

The Nation's Business

(Continued from page 1)

There was that $15 millions magnesium blueprint. Britain is buying magnesium, The Financial Post is informed, in the United States. The medium cruiser tank programme, involving $225 millions of Canadian production, has been lost to sight. Are these tanks to be made in the United States? There is still no final word on the manufacture of new bomber or fighter planes in Canada. But meanwhile U. S. aircraft plants are expanding rapidly.

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Our automobile plants are busy on military vehicles. We are producing, or truing up plants to produce machine guns, naval guns, field guns, anti-aircraft guns and tanks. We have developed many new technically difficult lines. But our main orders have been in less mechanized fields of operations.

At the present time, Canada is providing the United Kingdom with bacon, cheese, wheat, flour and other foodstuffs. We are shipping Britain almost our entire output of refined copper, zinc, lead and aluminum and greatly increasing our production of the last named.

Perhaps the largest group of all is that which embraces chemicals, explosives, shells, and shell filling. Here there is evidence of a constantly increasing British demand. But this programme calls for the construction of many vast, sprawling mushroom plants, employing several thousand men and women each. They are war plants, and in most cases nothing more. The day peace comes, the usefulness of most of them will be done; they cannot easily be absorbed into Canadian peacetime industry.

An increasing share of our war workers are going into plants that are of this character. It is likely that the new emphasis upon supplies from the United States will enhance the tendency.

* * *

These considerations are, no doubt, very firmly in the minds of our ministers now overseas. No fear of one-sided development of our war industries should be a factor in influencing this country against doing the war job for which it is best fitted. This is our war too and we are ready to take the bad with the good.

In everything this nation, or any person in it, does the first consideration must be winning the war.

That is why, as Mr. Ilsley puts it, our increased national income must go into fighting and not into living.

That is why we have priorities in steel, in machinery, in metals, in the use of American dollars.

That is why Canada's policy—like that of the United States—must be one of giving every possible immediate assistance to Britain, recognizing that if the Battle of Britain is won the war is won.

But we should at all times press upon the supply authorities of all the Empire countries the diversity and skill of our industry. We should make it clear that we too are proud of our workers and our machines and want to use them to the limit.

We should endeavor to have Canadian plants tied into United States plants for joint production schemes.

We should be at least as generous as a neutral country in the terms we offer for the "sale" of vital war supplies (remembering always that we are maintaining an army on active service and training some thousands of airmen, which the United States is not doing).

Finally we must overlook no phase of planning that will enable us to meet the post-war shock of sudden unemployment in war industries that cannot be soundly established for peacetime activities.

These are all factors that assume new importance as a result of the Roosevelt plan of war aid to Britain.

* * *

Excess Profits Tax Drain on Reserves

Warning that the Excess Profits Tax might be a severe drain on reserves indispensable to the renewal of depreciated and obsolete equipment was given by President Beaudry Leman at the annual meeting of the Banque Canadienne Nationale.

"One would hesitate," he said, "to take issue with the Government claiming the lion's share of war profits otherwise destined to swell dividends already reasonably generous." But Mr. Leman saw less justification for the Government to appropriate profits meant to write off wasting assets.

"It is of vital importance to the economic and social welfare of the country that its industrial framework emerge from the war both strong and up to date," he added. For this reason he urged the Government to make generous allowance for the proportion of profits which companies allocate to amortization of their plants.

The danger of upward revisions in taxation bringing a downward trend in business was emphasized by Charles St. Pierre, general manager. "The public treasury itself," he said, "cannot escape the law of diminishing returns."

There is evidence that the important points stressed by Messrs. Leman and St. Pierre have been insufficiently recognized at Ottawa.

Investors' Index

Jan. 11, 1941

Abitibi	4	Inter. Milling	10
Aluminum Co.	10	Inter. Paints	13
Asbestos Corp.	10	Mackenzie Air	10
Bell Tele.	5, 10	Mar. Tel. & Tel.	2
Bowater's	14	Montreal Loco.	10
C. W. Lindsay	5	Montreal Trams.	4
Canada Cement	13	Moore Corp.	10
C. P. R.	1, 7	Noorduyn Avia.	4
Disher Steel	1	Page-Hersey	4
Distil.-Seagrams	13	Rogers-Majestic.	1
Fleet Aircraft.	4	St. Lawr. Corp.	4
Fleury-Bissell.	13	St. Law. Pap. M.	4
Ford of Canada	10	2nd Inter-State	13
Goderich Elev.	13	Shawinigan	2
Inter. Bronze	4	Silverwood Dair.	5
Inter. Metal Ind.	10		

MINES AND OILS

Bonetal	14	Paymaster	14
Buffalo Ankerite	14	San Antonio	14
Cariboo G. Qtz.	14	Sigma	14
Central Pat.	14	Silbak-Premier.	14
Dome	14	Sturgeon River	14
Duquesne	14	Teck-Hughes	14
Gold Belt	14	Toburn	14
Kerr-Addison.	15	Upper Canada	15
La Luz	14	Wright-Harg.	14
Lamaque	14	Yama	14
Monarch	14		

REGULAR FEATURES

Banking	8
Bond Markets	5
Bond Quotations	12
Business, Week in	7
Commodities	13
Company Reports	13
Editorial	6
Foreign Exchange	5
Insurance:	
Fire and Casualty	8
Life	8
Investment Trends	4
Investment Enquiries	10
Market Opinions	4
Stock Quotations	12
Mining, Week in	14
Stock Quotations	12
Oils, Week in	14
Stock Quotations	12
Pulp and Paper	4
Wheat, Week in	13
Grain Quotations	13

Ottawa is Butt Of Discontent

(Continued from page 1)

viduals who own and rent houses and the insurance, mortgage and trust companies who are affected by this decision, are all asking—why Jan. 2, 1940? They question the fairness of this date. Moreover, due to local conditions, rents in some of these districts were unduly low in Jan., 1940. Why should they be penalized on that account?

Wages, on the other hand, are to conform to the 1926-29 level, with bonuses for any increase in living costs above the current level. Here again there are compaints from various industries which were not well organized in 1926-29 and were in receipt of low wages in industries in which depression conditions actually existed in these years.

Why Arbitrary Dates

Now, with butter, the date for the freezing of prices has been decreed as Dec. 12, 1940. Why?

The renters want to know why rents were not pegged on the 1926-29 basis. The butter producers ask the same question. Is a farmer not entitled to receive as great a return as the factory worker? Butter, they point out, was worth more than 40 cents per lb., over the greater part of the 1926-29 period.

Judging by the number and the tone of the complaints it seems doubtful if the present haphazard method of control can be continued. The critics contend that it is too much like subjecting basic industries to the whims and chances of a blindfold man sticking a pin into a price chart. There is they say a need for a nation-wide policy which would place the burdens of the war more equitably upon all classes of the community.

See Cabinet Split

Under pressure of criticism the solid front in administrative circles here is showing some signs of splintering. It was well known, prior to Dec. 28, that the department of agriculture was wholeheartedly in favor of a pegged butter price. The department of agriculture at that time was chiefly concerned with the re-capture of the British cheese market, Hon. J. G. Gardiner, Minister of Agriculture, made an agreement last October to sell to Britain more than 100 million pounds of cheese at a base price in Canada of about 14 cents per pound.

Beatty Sees Peak Level

(Continued from page 1)

are not engaged in the normal function of ocean feeders to our rail system."

Wheat conditions in the West unfavorably affected the company's revenue, while abnormal conditions existed in connection with tourist and other luxury passenger travel.

"Thus," continued Sir Edward, "despite the very great increase in industrial activity in Canada, and the volume of business given to the railways by great movements of troops and war supplies, the year's earnings have only increased on a moderate scale.

Surveys Profit Picture

"I estimate that net income from all sources will be approximately double that of 1939. That is, after paying all expenses and deducting fixed charges on bonds and debenture stocks, there should be a surplus of around $20 millions, which represents the actual profit of the year's operations.

"While there is less class controversy in Canada at present than for a long time, there are those who incline to give an exaggerated picture of the profit which capital is making out of the enhanced business activities resulting from war conditions. I should like to suggest that, in the case of this company at any rate, it would be a grave error to feel that our financial situation can be pictured as one of high profits. Actually it represents no more than an easing of depressed conditions.

No Water in Capital

"It is necessary to keep in mind that the capital invested in this company's business all represents real money. There is no water in it. Indeed, in view of the fact that in prosperous times the owners of the company permitted the ploughing back into the property of profits on a very considerable scale, it may reasonably be suggested that the investors in the company's securities could expect very substantial rates of return on their investment, without being unfair.

"While it has been possible for the company to meet the interest each year on all its securities, amounting in the aggregate to $523 millions—$295 millions of which was represented by consolidated debenture stock—it must not be forgotten that the average rate these securities bear is only 4.04% per annum, which cannot be regarded as at all excessive.

Small Return on Stock

"The remainder of the investments are in the form of ordinary and preference stock. The preference shareholders, who are entitled to a 4% return, when it is available, received no return on their investment between Oct. 1, 1932, and April 1, 1937. They have since received 1% on their investment, paid in 1937, out of earnings from the previous year; 2% paid in 1938 out of earnings from 1937; none in 1939, and 2% in Oct., 1940. Another dividend of 2% has been declared on 1940 earnings.

"The holders of $335 millions worth of ordinary stock have received no return on their investment since 1932.

"I mention these facts, not in order to paint a discouraging picture of the remarkable recovery of the company's business since the outbreak of the war, but to indicate that this is far from representing a condition of large profits. Indeed, much as our earnings have increased, they represent no more than a moderate return on capital actually invested in the company's properties—after several years during which much of that capital has received no return at all."

Quebec Power Firms Boost Load 550,000 H.P.

From Our Own Correspondent

MONTREAL. — Preparedness for war production has been the prime purpose of the Quebec power industry throughout 1940, according to James Wilson, president of Shawinigan Water & Power Co. Not only have the power companies, he says, made every practical provision for the rapidly increasing demands for electrical energy within their own territories, but they have co-ordinated their several high tension systems to ensure a much more efficient total power output than has hitherto been found possible.

During the current year, Mr. Wilson points out, Quebec will have available 550,000 h.p. more than during 1940. New generating capacity totals 275,000 h.p. Another 200,000 h.p. has been freed through curtailing use of electrical energy for steam raising in the electro-chemical industry and in pulp and paper plants. Another 50,000 h.p. has been saved through readjustments, as, for instance, the continuation of daylight saving, through the winter months. Furthermore increased storage capacity permits greater output from better river regulation.

Record Consumption

As an indication of the heavy increase in the power load carried by the Quebec operators in 1940, Mr. Wilson stated that during the first 10 months of the year power consumption in the province reached the record figure of 10.1 billion kw.h. This contrasted with about 9.6 billion kw.h. for the like period in 1939, an increase of better than 5½%. On the same comparative basis consumption of electricity in the Dominion showed an increase of under 2.9%, indicating the greater demands which have been made upon the Quebec power industry.

Report Has Repercussions

(Continued from page 1)

eign capitals early last year, and stayed at the same hotel as Mr. Welles in Berlin. Both men conferred with Goering in Berlin though apparently at different times.

Also ignored in the comments of Mr. Wenner-Gren, and by Canadian sources which sought to present him in a favorable light as the donor of the Toronto research gift, was the question of his position in regard to the U.S. group that is seeking to promote peace on the basis of the "status quo." The Post article mentioned that there was some evidence to indicate he was "not a small influence in the thinking" of this group.

Status Not Clarified

The present convictions and status of Mr. Wenner-Gren in regard to international affairs have been clarified little or not at all, either by Mr. Wenner-Gren's published comment or by those of Canadians who have upheld his generosity and motives in his gift to the University of Toronto. At the formal presentation of the $10,000 donation this week in Toronto, Dr. H. J. Cody, president of the University, voiced warm appreciation of the grant, which is for research in geophysics.

The president also ridiculed any suggestion that it might be linked with secret war research being carried on in the Department of Physics, or that it might involve access to information about this work as well as the geophysics studies. He did not deny, however, that such war research was being conducted by the same department that will use this gift from Marshal Goering's reputed peace negotiator.

Dr. Cody said the gift gave Mr. Wenner-Gren no access to any information about the war research, and that he was satisfied the Swedish magnate was interested solely in the geophysics work for which his donation would be used.

No Work on U-235

Prof. E. F. Burton, head of the Department of Physics, denies that research on U-235, powerful element derived from uranium, was being carried on parallel with the geophysics research.

In a letter to The Post, Professor Burton says:

"There is not now, and there never has been, any work carried on in this department on U-235. We have some secret war research work proceeding in the Department of Physics, but the details of this work are not known generally even to the members of our regular staff, except in so far as they may be actually assisting in one or other of the investigations.

"Furthermore, all the research workers to be sponsored by the Viking Foundation fund, at least for the present year, have already been engaged in geophysics work in the Department of Physics for more than a year. They are without exception graduates of Canadian universities and the majority of them are our own graduates.

Gift Needed

"This donation is particularly welcome at the present time because without it we would have to discontinue some of the very important phases of the work now going on. Our whole future development envisages the preparation of Canadian students for work in a field of utmost importance to the development of Canada's resources.

"In addition, we are not required under the conditions of the gift to communicate anything to the Viking Foundation except a report of how the money has been spent. One specific condition of the gift is that it is intended to enable us to publish the results of the research work carried out."

"Gratefully Accepted"

Prof. Burton's denial was reiterated by Dr. Cody at the presentation ceremony this week, when the president "gratefully accepted" the donation from the Viking Foundation, established, financed and headed by Mr. Wenner-Gren. He regarded as an "extraordinary notion" that Mr. Wenner-Gren was seeking access to, or might inadvertently get any secret information.

Dr. Cody emphasized that the proposal for the gift had originated not with Mr. Wenner-Gren, but with Hans Lundberg of Toronto, Swedish geophysicist and mining consultant, who is a friend and associate of Mr. Wenner-Gren. Likewise the terms of the gift had been drafted, he said, not by Mr. Wenner-Gren but chiefly in collaboration between Mr. Lundberg, Professor Burton, and Frank B. Common, K.C., of Montreal, who has acted for some years as Canadian legal adviser to Mr. Wenner-Gren. At the presentation ceremony, the gift was presented in behalf of the Viking Foundation by Mr. Lundberg, and Mr. Common was among those at the meeting.

Dr. Cody related that when the research gift was suggested to Mr. Wenner-Gren, he had directed Mr. Common to look into the matter. With the assistance of Hugh Griffiths of Montreal, Mr. Common had studied the need and potential value of such a donation, and had consulted with Dean Mackenzie, acting head of the National Research Council. Recommendation that the work be carried on at the University of Toronto had come from Mr. Mackenzie, said Dr. Cody.

Mr. Common from his long association with Mr. Wenner-Gren was aware of the latter's desires and ambitions, said Dr. Cody, and was able to provide information as to his career and his present position as a retired industrialist. From this information, and from the circumstances and terms of the gift, Dr. Cody asserted, it would take "marvellous eyes" to see anything "sinister or mysterious" in the matter.

In addition to acting as adviser for Mr. Wenner-Gren, Mr. Common also serves, it is understood, as counsel to Electrolux (Canada) Ltd., Canadian branch of the Swedish electrical appliance concern controlled by Mr. Wenner-Gren. No direct interest appears to be held by Mr. Wenner-Gren in the Canadian concern, which carries on manufacturing operations in Montreal.

Limited to One Year

Limitation of the Wenner-Gren gift to $10,000 for one year, Dr. Cody explained, was designed to enable the donor to see how the project worked out before making a further contribution; and to take into account world financial conditions when the time came for any further donation. However, it has been formally announced that the preliminary donation will be used to "inaugurate the Wenner-Gren Geophysics Fund."

It was originally proposed that the Viking Foundation should undertake to contribute $10,000 a year for five years to finance geophysical research at the university. Ultimately it was hoped that more or less permanent financing might be provided to maintain a geophysics institute.

EXTEND OFFICE TERM

Tenure of office as Commissioner for Finance and Customs of Hon. J. H. Penson in the Newfoundland Commission of Government has been extended to June 30 this year. Mr. Penson's term of office ordinarily would have expired at the end of the past year.

APPOINTED VICE-PRESIDENT

Douglas L. Reburn, manager at Toronto for Stevenson & Scott Ltd., advertising agency, has been appointed vice-president of the firm.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
Port Arthur	Dec.	Mills, Spence & Co.	3½% 3½% 3½%	1941-50 1941-55 1941-55	$44,867 7,663 7,970	101.46	.....
Mount Royal, Que. (Additional)	Dec.	A. E. Ames & Co.	4½%	1950-55	98,500	.....	.....
Neebing Township, Ont.	Dec.	Dominion Securities Corp.	4½%	20-ins.	17,500	.....	.....
Provincial—							
Nova Scotia	Dec.	W. C. Pitfield & Co. and Syndicate	3½%	1953	2,045,000	†99½	3.55%
		Sold privately	3%	1944	1,000,000	100	.....

†Offering price.

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Silverwood Dairies	Jan.	Harrison & Co.	4½%	1942-56	$1,500,000	101	4.40%

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BANK OF MONTREAL
ESTABLISHED 1817
"A bank where small accounts are welcome"

A101

Seaway Deal Likely Soon

(Continued from page 1)

millions on its side of the boundary, can develop an equivalent share of the power. This will probably be done in gradual stages as the power is needed.

Chief construction features of the new plan are indicated on the accompanying map, which has never before been published. They include the 85-ft. dam and power houses at the southeast corner of Barnhart Island and the main dam at the foot of the Long Sault Rapids. At the insistence of Montreal, which fears possible adverse effects on its water levels, a 4-foot control dam is also to be built at Iroquois Point, an island just north of the town of Iroquois. If this is done the water level at Barnhart will be raised only 81 ft.

14-ft. Navigation Preserved

Canada, under the agreement or treaty, is assured continuance of 14-ft. navigation during construction and until the entire seaway is completed to 27-ft. depth. Locks in the seaway will be 30-ft. depth in the sills, but the agreement calls for only 27-ft. navigation at present.

At an earlier stage in the discussions a full, immediate 30-ft. canal system was contemplated. According to prices worked out in 1926, this would have cost an additional $18.6 millions between the St. Lawrance and Montreal and $53 millions for the entire Great Lakes-St. Lawrence plan.

Navigation and War

Under the proposed plan Canada's only immediate out-of-pocket expense would be the cost of certain rehabilitation works on the Canadian side, a matter of perhaps $20 or $25 millions. Subsequently Canada would be responsible for deepening the channel to 27 feet through to Montreal.

As late as last week no decision had been made as to the exact time limit which Canada would be allowed to complete this work. In an earlier proposal Canada was allowed 10 and 12 years to complete navigation.

But in the recent negotiations it has been suggested that in the event of British resistance being overcome, then this waterway might become of great international significance. It has been suggested that if Britain were to fall, it might be thought desirable to rush the seaway to completion immediately, so as to provide accommodation and internal shipbuilding facilities for vessels of war considerably larger than those which can now pass through the restricted 14-foot passage. This point was hinted at last December by President Roosevelt in the message he sent to the Great Lakes Seaway Conference at Detroit.

Ontario Will Benefit

Paralleling the Canada-U. S. treaty will be a new agreement between the Dominion Government and the Ontario Government in respect to Canada's share of power.

It is understood that this agreement will be more favorable to Ontario than was a similar agreement arrived at some years ago when an earlier St. Lawrence treaty was signed between the two countries. There are several reasons for this.

For one thing, by agreeing to develop power under a single-stage programme (one power dam instead of two), a saving estimated between $25 and $30 millions will be effected. This will accrue equally to all four parties (U. S. Government, Canadian Government, Ontario and New York States) and will lower the cost of each participant accordingly. A single-stage development will also mean lower operating and power costs for Ontario.

Then, too, in the former agreement, Ontario was committed to pay roughly 70% of the cost of works which are common to both power and navigation. This proportion has been reduced, The Post is informed, although the share which Ontario will pay is still more than 50%.

Cost of Power

As already indicated, the new proposal calls for the U. S. to deliver on completion, dams and substructures which will permit the ultimate development of 1.1 million horsepower of electric energy by each country. The power development will not be complete, however, until Ontario and New York State respectively spend approximately $25 millions each for generating units, superstructure, etc.

The cost of the substructure to be built and financed by the United States and chargeable to Canadian power development is said to be between $65 and 75 millions. (These and all other figures used here are without interest during construction.) This will be paid initially by the U. S. under the present plan.

Subsequently this amount must be charged to Ontario's account. It will become a credit payable to the Dominion Government, to go toward money which Canada has already spent at Welland and elsewhere to develop and deepen the waterway.

Total cost to Ontario will therefore be in the neighborhood of $90 to $100 millions, according to present estimates. The $25 millions for generators, etc., does not need to be expended until Ontario has a market for the power. The remainder will probably be paid to the Dominion in easy stages.

Other benefits to Ontario will be confirmation of the right to use, at Niagara Falls for power purposes, the 5,000 c.f.s. of water already being diverted into the Great Lakes-St. Lawrence system from Ogoki and Long Lac. Ontario will also benefit, powerwise, by a revival of the Niagara control programme which has been pigeon-holed in the U. S. Senate for over 10 years and which provides for an extra 5,000 [illegible] diversion at Niagara (provisionally) pending permanent works at the Falls to preserve scenic beauty and conserve existing flow.

Whatever Ontario gains by way of increased water diversion in the Upper Lakes accrues also to Quebec, lower down the river. Once water diversion is permitted, the water can be used for power purposes a dozen times if necessary. Thus the extra 5,000 c.f.s. already being diverted by Ontario from the St. James watershed adds a potential 70,000 or 80,000 h.p. to Quebec's power resources in the lower part of the river.

Draft Nearly Ready

From Our Own Correspondent

OTTAWA.—Rapid progress is being made in drafting the engineers' report and the general agreement on the St. Lawrence Seaway. This has been in progress here since Jan. 2.

It is expected, however, that both will be in the hands of the two governments, if not this week end then by a week later. They will probably be made public at or about the time that President Roosevelt submits the new St. Lawrence plan to Congress for approval.

Problems Raised

What is not clearly understood at Ottawa is how the vast construction programme involved in the power development is to be carried through in wartime. For one thing, where are the workers to be found in Canada to do the work?

There is also an unexpected silence among Quebec public men, who as a rule are opposed to the seaway. Is it possible that the Godbout Government is flirting with a policy of public ownership?

Reports are current that Premier Godbout will meet any criticism of his government for failure to oppose the seaway by raising the public ownership issue in a big way.

Maritime Tel. Sets Two New Records

From Our Own Correspondent

MONTREAL. — Long distance toll traffic on the Maritime Telegraph & Telephone Co.'s system set another record in November. The total number of completed calls—156,817—was 23,484 greater than the corresponding month last year, an increase of approximately 17.6%.

The company also reports a record in stations installed. There was a net gain of 278 during the month, bringing total number of stations in operation to 46,129.

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Box 6, The Financial Post, Toronto, Ont.

London Calling

By Atticus

New British Ambassador Goes to World's Listening Post at Lisbon — Tight Lipped Papagos—Pro-British Roumanian Movement

LONDON.—Under normal conditions an ambassador who had served us in Paris would hardly expect to go to Lisbon, but the Portuguese capital has now taken on a significance entirely its own. Not only is Portugal our old and trusted friend, but it has become the listening-post of Europe. Here the ambassadors of Germany, Russia, Italy, Britain and France cross each others' paths with a meticulous avoidance of incident. To Lisbon come the airplanes of many nations. Like a rock it holds out against the swirling anger of war's waves.

* * *

Sir Ronald Campbell

As might be expected, Sir Ronald Campbell is a Scot, although there is little trace of the northern accent in his carefully modulated speech. If not born to diplomacy he was at least nurtured in it, for his father was assistant Under-Secretary for Foreign Affairs 30 years ago. Sir Ronald has been a success, and carries himself as one who does not doubt himself. He has a neat figure and takes great care in the selection of his clothes. At Belgrade he enjoyed the complete confidence of Prince Paul, which was all to the good; for a Minister in the Balkans is lost if he has not easy access to the men at the top. In fact, so well did Sir Ronald perform his duties in Jugoslavia that when a successor to Sir Eric Phipps had to be appointed to Paris the choice was practically automatic.

I lunched, together with Sir Ronald Campbell, at the Polish Embassy a few days ago to meet the Polish Foreign Minister. The keen interest that the Scottish diplomat showed in every item of information rather indicated that he did not regard his career as closed merely because he had left Paris. At Europe's listening post in Portugal he will have a difficult and important task.

* * *

The Greek C. in C.

General Papagos, the Greek Commander-in-Chief, is not only an extremely good soldier, but has a personality that invites the portrait of a pen. He is tall, lean, gravely distinguished, austere, and possessed of sad, hollow eyes. It is said by his officers that he not only knows his army like a family, but keeps control of it concentrated in his hands. They also say that if he had his way he would not tell anyone what day it is if he were asked. In giving away information he is the most tight-lipped military leader in Europe.

The General is not only fortunate in war. His wife, who is lady-in-waiting to Princess Katherine, is admitted to be the most gracious, the most beautiful, and yet the most popular woman in Athens. This combination of qualities, so rarely found in one person, is almost equalled in the General's daughter, who possesses to a marked degree the classic beauty of her race. Again I can only record the truth, and not try to explain it, but Miss Papagos is regarded by many Athenians as the loveliest young woman of that city.

* * *

Roumanian Support

I was glad to have a note from my old friend Dr. Tilea from Oxford, saying that he was coming to London for a day and suggesting that we might spend an hour together. His anguish over the present reign of terror in Bucharest was evident. "That is not the real Roumania," he said. "It is not the Roumania I came to London to represent. We never knew what political assassination was until Hitler corrupted our young men and brutalized them." He told me that the son of M. Calinescu, the Premier who was assassinated last spring, is still in England, and has been granted a scholarship at Oxford. I am glad of that, for he is a charming boy and his father was a brave, upright man.

Dr. Tilea also told me that it is his intention to set up a Roumanian Committee in London, not as an alternative Free Government, but as a link with Britain's war effort. Roumanians living in the U.S.A. and Canada will be enlisted in battalions to serve with the British. Pro-British propaganda will be undertaken by the committee, who will encourage their now disillusioned countrymen at home to rise against their foreign masters and the Iron Guard. From all that my lively and highly intelligent friend told me, it would seem that Hitler can conquer everything except the hearts of his victims. I wish Dr. Tilea's committee every success and look forward to reunion in Bucharest.

* * *

Men of Ulster

The late Lord Craigavon had been in office so long that many people thought of him in terms of the Grand Old Man. Yet he died at the comparatively early age of 69, literally worn out by an adamant and selfless devotion to Ulster and the British cause. Because he had none of the flamboyancy of the Southern Irish politician, his detractors said that he lacked feeling. Because he would not compromise on his conviction that Ulster should remain British, he was denounced as narrow. Because he regarded union with Eire as disastrous for Ulster, he was condemned as obstinate. He never asked for sympathy nor inspired it. His death did not make his countrymen weep, but it was as if a mountain that had long shielded them had disappeared in the night.

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The Post-Bag

Recruit

The principal morning newspaper in Virginia, the Richmond Times-Dispatch, has abandoned its former isolationist policy. It has come out strongly for a policy of defeating aggression at its source, which means all-out aid to Britain.

* * *

Canadian Dreyfus

In obituary notices concerning the late Aemilius Jarvis few references were made to his trial and conviction in 1924 for conspiracy. Jarvis was charged with irregularities in connection with a huge refinancing transaction involving the purchase of Ontario tax-free sterling bonds in England and the sale of new taxable bonds in Canada.

After the hue and cry of a scandalized public died down, there was a more sober appraisal of the evidence and it seemed clear that Mr. Jarvis had been improperly convicted. All the efforts of his friends to obtain a new trial that would have enabled him to clear his honored name failed.

Aemilius Jarvis went to his grave as the Canadian Dreyfus.

* * *

Miners' Hymn

Typographical errors are not funny. Not even the one in the report in a Toronto paper of the funeral service of an eminent Canadian financier. The report had it that the choir sang "O Gold, Our Help in Ages Past."

* * *

Downside Up

Why is the North Pole always on top of the globe? It's on top even if you buy the globe in South America or South Africa.

Why is it that maps in atlases spread out to show the whole world, always put the Atlantic Ocean in the middle, with Tokio at the far right and San Francisco and Honolulu at the far left?

There may be a reason, but it is probably just a habit or tradition arising out of the fact that the north Atlantic has been for centuries the area of the world in which globe makers and map makers were most interested.

Out in California there is a movement on foot to have all atlases redraw their maps to put the Pacific in the centre. And down in Australia another movement has been started to have the South Pole put on top of the globe.

* * *

Charity?

The young son of an internationally famous Toronto musician was asked by his neighborhood playmates how much his father earned. The son could not answer so he put the question to his father. Father knew that whether he said $1 or $1,000 it would not convey much to his son, so he replied, casually, "$6 a week."

Apparently the remark was in due course passed on. On Christmas Eve all sorts of mysterious strangers left parcels at the musician's home—baskets of food, bundles of clothing, etc.

Now the musician is worried. He does not know whether his friends think he is in dire straits or are merely pulling his leg. He would like someone to tell him.

* * *

Shorts For Saving

Once the Great Western Railway of England effected a very substantial saving by dropping the word "railway" from the expensive gilt lettering on the sides of its carriages.

Recalling this, "Candidus," a writer in the Daily Sketch, London, comes forward with a suggestion for another small economy which would multiply into something big if adopted.

He would have all English schoolboys wear "shorts" instead of "longs" for the duration of the war. More than two million yards of cloth a year would be saved, he reckons.

* * *

No Loot

Do you remember what Italy was claiming as her just due? Nice, Tunis Corsica.

France has been defeated and has been taking orders from Hitler. The richest areas of France have been occupied. Alsace - Lorraine has been re-annexed to Germany. Frenchmen have been driven out of Lorraine. Yet Adolf Hitler has not allowed Italy to make the slightest move towards annexing Nice, Corsica or Tunis.

The Italian people may well wonder what all their sacrifices are for. All that Italy has yet gotten out of this war is bad news.

* * *

That Word "Hun"

When the war came the weekly editorial conference of one Canadian newspaper discussed informally the use of the word "Hun" to describe the Germans. The editors decided to bar the word from their columns, on the ground that it aroused hates and prejudices, that would only make the ultimate task of peace-making more difficult.

But it was not hard-pressed headline writers on North American newspapers who first applied the word "Hun" to the modern German warrior state. It was Wilhelm II who, at the time of the Boxer incident, called upon the Germans to fight with the barbarism of the Huns of old.

W. J. PATTERSON

J. A. MACKINNON

J. G. TAGGART

J. G. GARDINER

J. A. GODBOUT

T. C. DAVIS

Rumors of Cabinet Changes Focus Around Gardiner

From Our Own Correspondent

OTTAWA.—In the past 10 days there has been a spate of rumors regarding cabinet changes.

These reports are focused largely upon the Department of Agriculture, although by implication other departments might be involved.

In The Post last week it was pointed out that many reports indicated that Premier W. J. Patterson of Saskatchewan might go to the Senate and his place be taken by Justice T. C. Davis, presently Deputy Minister of National War Services. It was also rumored that Hon. E. C. Drury, former premier of Ontario, might succeed Hon. J. G. Gardiner as Minister of Agriculture.

Davis Denial

A few days later the Leader-Post of Regina confirmed the report regarding Mr. Patterson and Mr. Davis and went on to suggest that Hon. J. G. Taggart would also be in line for the Saskatchewan premiership and might come to Ottawa to replace Mr. Gardiner as Minister of Agriculture. Mr. Gardiner would continue in the cabinet as Minister of National War Services.

Mr. Davis promptly denied any intention of resigning from the bench. There has been no comment from the other men mentioned.

Back of these reports there is a growing feeling in cabinet circles that changes are coming; how soon no one pretends to know and, as always, Mr. King is holding his own counsel.

Change in Agriculture

Apart altogether from personalities there is ground to expect a change in the Department of Agriculture. The stress and strain of war have made the relations between Ottawa and the non-export branches of the agricultural industry more important than ever before. Mr. Gardiner is a westerner, so have been his predecessors in office right back to Laurier's time. The administration of Gardiner leads back through Weir, Motherwell, Tolmie, Crerar, Burrell to 1911. The department has been chiefly in the custody of Saskatchewan, with Manitoba and British Columbia coming in for brief innings at long intervals.

Since the war the pressure on the Government from the agricultural front has come far more from the older provinces east of the lakes and from British Columbia, than from the prairies. And this pressure is growing. There is reason to believe that if Mr. King could get Premier Godbout of Quebec as Minister of Agriculture he would move like a shot. But the judgment of Quebec ministers at Ottawa, and Quebec opinion, is that Mr. Godbout, although trained in agriculture, is much too valuable to his own province and the country at large where he is than elsewhere. Moreover, as the Deputy Minister of Agriculture, Dr. G. S. H. Barton, also hails from Quebec, there might be other objections.

Trade Ministers Switch?

There is a disposition in inner circles of the Government to discuss a cabinet reorganization in these terms:

Since western farmers are chiefly concerned with export markets, which are controlled by the Trade and Commerce Department, it might be wise to switch Hon. J. A. MacKinnon, who is not a farmer and has no experience in the sale of farm products, to some other department and appoint in his stead a westerner with farm experience and who knows the grain trade. This being done, the agriculture portfolio could be shifted from the West to the East.

An obvious switch would be between Mr. MacKinnon and Hon. T. A. Crerar, who is easily the best wheat man in the cabinet and who is a Manitoba farmer in his own right. But it is doubtful if so simple a solution is possible.

Drafting of Drury Unlikely

Considerable interest has been aroused by the report of The Financial Post last week that some Liberal circles had been discussing possible drafting of E. C. Drury as Minister of Agriculture. However, prevailing view in the press and elsewhere appears to be that appointment of the former Ontario premier is unlikely. Factors cited include his age and lengthy absence from political affairs, the unhappy record of his administration in Ontario, and lack of support at Ottawa for selection of a non-westerner.

In a lengthy editorial reviewing the suggestion and Mr. Drury's career the Montreal Gazette comments that he has "attainments and recommendations, but he is very close to 63 and has been out of public life for 17 years." Recalling that he headed the U. F. O. Government in Ontario from 1919 to 1923 the Gazette says:

"The record of his administration cannot be regarded as one of his assets if he is really an aspirant for the federal ministry. It is a record, on the whole, of grave mismanagement. His government was short-lived and the electors sent him back to the plow. . .

"That the farmers of Canada are likely to see in him their Cincinnatus is very doubtful, very doubtful indeed."

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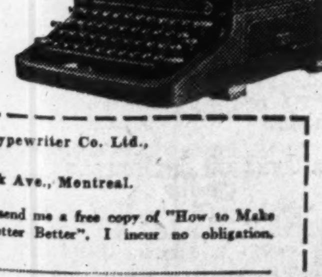

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Investment Trends

Patience Continues Desirable Trait

Direction of Next Stock Price Move Not Yet Clear and Speculative Interest Remains Absent From Markets

Early stock trading in 1941 has not developed anything of particular interest. Volume has remained low and price changes confined to nominal amounts.

There is little in the immediate offing to suggest that this condition is going to change materially. News of British victories in Africa has failed to stimulate stock markets, apparently over-shadowed in the minds of investors by continued threats elsewhere.

Markets in the United States, from which stimulation has often come in the past, have signally failed to provide leadership. There is no clearcut trend discernible although the background factors of interest rates, business activity and commodity prices would normally indicate likelihood of higher levels.

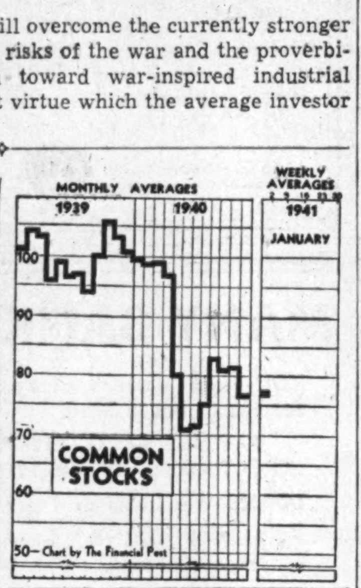
Perhaps in time these factors will overcome the currently stronger and depressing factors of taxation, risks of the war and the proverbially conservative attitude taken toward war-inspired industrial activity. Patience remains the best virtue which the average investor can possess.

* * *

Clarkson on Abitibi

That Mr. Clarkson's ideas for reorganizing Abitibi, as outlined elsewhere in The Post, might get substantial support from large institutional bondholders is quite possible. Discussions have been held pointing to plans very closely resembling the Clarkson scheme, it is known, and indications given that some important support would be forthcoming for a plan such as that outlined here. This support might be available from institutions at present committed to support the Symington bondholders' committee.

There seems good reason as well to believe that shareholders would not object if this plan were carried out. It would give them a continuing chance of participating in any prosperity that the reorganized company might have while protecting the senior claim of bondholders, right to which spokesmen for junior interests have never disputed.



* * *

To Avoid Hardship

Many times in recent months, The Financial Post has received letters from subscribers who are worried about what may happen to their holdings of United States securities. These fears are well expressed by a recent letter from L. Authier, Montreal, who writes:

> "I hope The Financial Post will continue to call attention to the hardship that would result to those thrifty Canadian citizens who have their savings invested in U. S. securities should the Government decree that same must be sold at stock market prices in order to purchase U. S. dollars.
>
> "The fact is that the stock market under present conditions is not an acceptable yardstick for appraising values. Many sales are forced by poverty or panic and many securities are listed at 30 to 40% below their intrinsic value. To sequestrate these stocks at these fantastic prices is unadulterated confiscation of capital."

Mr. Authier quotes from remarks reported by the New York Herald Tribune as follows:

> "'The method (forced repatriation) of obtaining dollars is far from a desirable one, either for those whose investments are taken over or for the American financial markets. It is a device which should have to be resorted to only by a country whose credit has been otherwise completely exhausted. This certainly is not the case with respect to the Dominion of Canada; and if this country, by a simple piece of realistic legislation, can ease her position, it should eagerly grasp the opportunity to do so. It is to be hoped that the bars will be let down for Canadian borrowing here, not merely through the Export-Import Bank, but from any other source that is available."
>
> "It is perhaps pertinent to call attention to the fact that many of the principal Canadian securities such as C.P.R., Consolidated Mining & Smelting, Hollinger, International Nickel, Aluminum, Dome, Imperial Tobacco, are quoted 25 to 40% lower on the New York Stock Exchange than in Montreal and not, as one would assume, at the Canadian price less the difference in exchange."

* * *

Seek Loans First?

For a real answer to his fears, of course, Mr. Authier will have to go to the proper authorities at Ottawa. The Post has pointed out more than once that Canadian action, if and when it becomes necessary to take over Canadian-held U. S. securities, will probably follow closely on the British procedure. But it is felt that present Ottawa thought on the matter tends toward seeking loans in the U. S. before resorting to sale of our U. S. securities.

But at the same time it must be recognized that national existence may require that more drastic action be taken. We confidently expect that some means could be found to grant Canada credits in the United States if it becomes necessary to make the request. Legislation to be introduced at the present session of the U. S. Congress may clear the way.

Market Opinions

Looking ahead at 1941, stock market commentators are inclined to counsel caution, at least until the outlook clears.

Barron's, N. Y. (The Trader)—Sane faith in sound stocks, rather than a rush into "war babies" or into issues possessing comparatively high tax exemptions, prevails. It is an attitude that seems to denote a growing, deeper immunity to the legion of unsettling factors that have existed for the past nine months.

* * *

Brookmire Counselor, New York—The sacrifices demanded by national defense, plus the impossibility of telling what shocks may come from the scene of hostilities, form imponderables in the stock market's outlook for 1941. Yet, when the investor considers such key factors as the low level of stock prices and the prospects for further earnings gains, it is evident that the position of the market is basically strong. Clients must remain alert to possible shocks. But all things considered, the interests of clients appear best served by keeping active funds fully invested, and effectively balanced in the types of stocks that are so dynamic as to share liberally in this armament-stimulated recovery.

* * *

Financial World, N.Y.—Even if it be taken for granted that the market has fully discounted further regimentation of industry, there is no assurance that it will be impervious to future dramatic events abroad. We continue to advocate a policy of limiting speculative commitments and concentrating largely, if not entirely, in income producing securities.

St. Lawrence Paper Mills Reduces Pref. Stock

From Our Own Correspondent

MONTREAL. — St. Lawrence Paper Mills advised the Montreal Stock Exchange of the redemption and cancellation as at Dec. 31, 1940, of 2,455 shares of the company's preferred stock. This leaves outstanding 139,801 shares of the par value $100 each.

The Financial Weapon

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IN DEFENSE POST

Arthur A. Schmon, president of Ontario Paper Co. and of Canadian Forestry Assoc., who has gone to Washington where he will be engaged in the handling of priorities in war supply orders. Mr. Schmon will be on three months leave of absence, which will be extended if need be.

Inter. Bronze Sales Hit Peak

Canadian Unit Supplies British Empire. Further Expansion Expected

From Our Own Correspondent

MONTREAL.—Volume of sales of International Bronze Powders Ltd. for 1940 will establish an all-time record, according to R. E. Thorne, president of Canadian Bronze Powder Works, the Canadian subsidiary of International Bronze Powders.

The Canadian company has practically supplied the whole of the British Empire market, according to Mr. Thorne, and the connections made within the Empire should become permanent ones and be most valuable for business after the conclusion of hostilities.

Referring to prospective business Mr. Thorne stated: "It is expected that considerable impetus will be given to the export of bronze powders during the current year, due to expansion in South American and Central American markets. Both the Canadian and American subsidiaries of International Bronze Powders are favorably situated to secure business in these countries.

"The plant facilities of both companies have been enlarged to take care of this anticipated increase in business. Raw material supplies are very satisfactory and sufficient to take care of all demands.

"Definite economies will be effected which, it is hoped, will very largely offset the higher taxation both in Canada and the United States due to war conditions."

Investment Notes

Noorduyn Aviation—Largest contract placed by the Department of Munitions and Supply in the week before Christmas was one for $3 millions to this company. This company has received orders totalling $7.9 millions since July, 1939.

* * *

Fleet Aircraft—The company received a contract for $2.9 millions of aircraft from the Department of Munitions and Supply in the week ended Dec. 21. This brings total orders to Fleet since July, 1939, to $10.8 millions.

* * *

Dominion Bridge Co.'s financial statement for the year ended Oct. 31, which will appear within the next few days, will show more satisfactory results than 1939. Outlook for the organization at the present time is the best for many years. The company's plants are operating at high levels.

Page-Hersey Tubes Plant at Capacity

Plant operations of Page-Hersey Tubes, Ltd. for the final quarter of 1940 continued at capacity, almost entirely on "work of national importance" according to C. L. Dunbar, president.

Sales for the year show a large increase over 1939 in both the domestic and export fields although higher raw material prices and wages have caused a considerable increase in costs, the president states. Dividend of $1.25 per share for the three months ended Dec. 31, 1940, brought total payments for the year to $5 per share, compared with $4 per share disbursed in 1939 when the company earned $6.46 a share.

Pulp and Paper Industry

Clarkson Plan Would Leave Abitibi Bonds

Recommends No Change In Present Principal With Shares or Debentures For Interest

When the Royal Commission enquiring into the affairs of Abitibi Power & Paper Co. resumed sittings in Toronto on Jan. 6, first witness was G. T. Clarkson, receiver and manager of Abitibi. Mr. Clarkson had appeared previously and had been requested by the Commission to prepare a scheme of reorganization which he felt was feasible.

Mr. Clarkson emphasized his belief that Abitibi should be taken out of receivership as soon as possible. He also expressed some concern about the future of the prorating scheme now practised by the newspaper industry in Ontario and Quebec. He felt that this scheme was weakening as some companies in both provinces disregarded its provisions.

He added that much of the value of the Abitibi properties depended on continuation of proration.

Discussing a possible reorganization, Mr. Clarkson had alternative schemes to suggest. He emphasized that concessions from the Government were essential for a sound company operation, mentioning particularly the excess profits tax. He fears recurrence of competition on a price basis from Europe after the war and felt that as a protection against this, the Canadian industry should be permitted to retain a larger proportion of any profits it might make during the war years.

Leave Present Securities

His reorganization plan would leave the existing bond principal unchanged and would not disturb present preferred and common stocks.

For unpaid bond interest he would give either talons (a special type of coupons), income debentures or preferred shares, depending on taxation.

Bond interest would be payable at the end of each year if working capital exceeded a fixed minimum which Mr. Clarkson suggests should be $10 millions. The surplus above this $10 millions would be applied first to pay interest; then, if any surplus is left, to purchase the securities given to bondholders in payment of overdue interest. Bondholders would have complete control of the company and nothing would be payable to junior security holders until bond debt had been reduced to a certain point.

Sale Means Loss

This scheme as outlined, he maintains, would give bondholders all that they are entitled to while a sale at this time could not realize sufficient to repay bondholders' claims alone. The decision as to whether preferred shares or income debentures should be issued for overdue interest would be determined by whether or not the securities given to bondholders would be taxable as income.

As an alternative suggestion, he said that, in the event of a sale of the properties, bonds to be issued by the company should not exceed $24 millions. This would be half of the present existing funded debt. Any additional capital should be raised by shares or income debentures.

U. K. Fixes Newsprint Import Quota for 1941

From Our Own Correspondent

MONTREAL.—It is now officially announced the British Government will allow the import of 200,000 tons of newsprint paper from Canada and Newfoundland during 1941. This compares with the quota of 325,000 tons allowed in 1940.

The Government has agreed that a carryover of 70,000 tons from 1940 also may be imported, making a total newsprint import this year of 270,000 tons.

Montreal Trams Traffic Up Sharply

From Our Own Correspondent

MONTREAL. — Reflecting increased industrial activity, Montreal Tramways Co. reports an increase of 12.4% in traffic handled during the last quarter of 1940 compared with the like period of 1939. The number of passengers was 61.7 millions as against 55.1 millions.

The number of passengers carried for all of 1940 was 225.7 millions, the largest since 1931.

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg., mater.	Power and traction	Banks	Total utilities	Total co's.
	8	7	3	4	10	12	7	15	15	8	19	95
1929-39:*												
High ...	432.5	113.4	273.4	423.5	113.5	197.8	204.6	281.1	197.6	131.7	166.0	198.3
Low	39.2	3.0	37.7	87.7	30.8	78.8	33.8	44.3	47.1	63.1	36.9	43.3
1940:												
Monthly Figures:												
Jan.	134.3	24.5	98.8	155.8	86.4	183.0	135.4	150.7	61.3	84.5	45.7	99.7
Feb.	129.3	23.4	98.4	158.2	90.7	184.3	134.0	146.8	60.3	84.3	45.3	99.0
Mar.	134.1*	22.9	96.5	155.4	91.4	185.7	135.4	146.5	61.1	85.1	47.1	99.1
Apr.	132.5	24.6	95.9	147.6	91.6	184.7	137.9	146.4	61.9	83.8	47.1	97.0
May ...	102.6	16.3	77.6	124.7	80.5	165.0	117.9	115.8	52.0	79.7	39.4	80.4
June	93.2	13.1	62.9	100.2	70.3	144.1	106.9	103.3	47.0	74.7	35.8	71.9
July	92.0	13.9	67.1	101.3	74.5	145.8	114.2	102.3	47.1	70.0	35.5	72.5
Aug.	98.5	15.3	68.4	104.4	76.9	150.1	120.3	107.8	48.6	72.1	37.1	76.0
Sept.	107.0	16.5	61.0	120.9	81.9	163.1	124.9	121.0	51.3	76.0	39.3	83.2
Oct.	105.1	16.1	79.3	112.0	81.5	162.9	124.8	123.6	51.1	75.2	38.8	81.4
Nov.	107.6	16.6	69.1	108.6	82.0	161.7	132.7	126.9	50.6	75.9	39.4	81.7
Weekly Figures:												
Dec. 5 ..	101.9	15.4	66.6	99.6	79.9	159.5	129.4	122.3	49.7	76.3	38.4	77.7
Dec. 12 ..	100.2	15.5	63.8	97.1	78.7	160.6	133.2	122.1	49.9	76.8	38.4	77.2
Dec. 19 ..	99.3	15.4	63.5	96.1	78.8	160.3	134.2	122.4	49.8	77.8	38.4	77.0
Dec. 26 ..	98.2	15.2	64.0	95.0	78.8	161.1	135.0	120.7	50.2	77.9	38.3	76.3
Jan. 2 ..	95.7	15.3	63.2	98.1	78.4	157.1	137.0	120.4	50.9	78.3	39.1	77.5

*High and low for year from 1929 to 1939 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Jan. 7	101.91	108.09	67.67	20.88
Jan. 6	102.03	108.26	67.95	20.86
Jan. 4	101.15	108.28	67.59	20.92
Jan. 3	100.62	108.03	67.60	20.94
Jan. 2	101.40	108.56	67.86	21.04
Jan. 1	Holiday			
Month ago ..	100.37	105.89	66.51	21.74
Year ago ...	127.15	123.04	88.48	32.62
High 1940 ...	128.84	123.80	88.97	33.31
Low 1940	86.00	77.34	56.81	18.44

Montreal Stock Exchange Average

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Jan. 7	54.3	65.3	61.6	82.25	79.22
Jan. 6	54.0	65.4	61.6	81.24	79.15
Jan. 4	54.1	65.0	61.4	81.09	78.97
Jan. 3	53.5	65.2	61.3	81.68	78.87
Jan. 2	53.5	65.2	61.3	81.50	79.62
Jan. 1	Holiday				
Month ago .	55.3	66.5	62.8	83.33	77.93
Year ago ..	68.8	90.7	83.4	143.07	100.12
High 1940 .	69.2	92.2	84.4	152.63	100.81
Low 1940 ..	50.7	56.0	54.7	66.44	55.16

See Lower Newsprint Sales

Drop of 200,000 Tons Is Expected With Abnormal Conditions

From Our Own Correspondent

MONTREAL. — Abnormal conditions of demand for Canadian newsprint seem likely to continue, to some degree, as long as present wartime conditions of supply continue, but demand in 1941 will be diminished in overseas markets by shipping and exchange difficulties and by rationing in various British Empire countries, according to Charles Vining, president of the Newsprint Association of Canada. Assuming continuance of present supply conditions, he adds, it is estimated that demand for Canadian newsprint in 1941 will be approximately 200,000 tons less than in 1940.

C. M. VINING

The Quebec-Ontario pro-rated mills, at the present estimate, will operate in 1941 at 67% to 70% of their effective capacity. The mills as a whole in 1941 will have something over one million tons of unused effective capacity.

In estimating 1941 volume, it should be kept in mind, says Mr. Vining, that any change in present supply conditions would probably be to Canadian disadvantage. Should Scandinavian producers find means to resume competitive export deliveries above the present trickle, Canadian sales would diminish accordingly.

Correct Wide Impression

In reviewing the current position of the industry Mr. Vining says:

"There appears to be an impression that Canadian newsprint mills in 1940 operated at full capacity and may now be regarded as permanently restored to a 'normal' condition, free of the difficulties experienced throughout the 10 years of 1930 to 1939.

"The facts are quite different from this impression. Canadian newsprint in 1940 showed a substantial increase in tonnage volume compared with 1939, but this increased volume was still nearly 1,000,000 tons below the effective capacity of the Canadian mills currently in operation. The increased volume does not represent a 'normal' condition; it resulted from highly abnormal wartime circumstances. Newsprint difficulties are abated only so long as these abnormal circumstances continue.

"The abnormal circumstances in 1940 consisted chiefly of the virtual elimination of Scandinavian and German newsprint exports which had competed with Canadian tonnage. These competitive exports in the previous three years had averaged about 700,000 tons a year; as 1940 progressed they became a mere dribble. The result was a suddenly increased demand for Canadian supply in the United States, South America and other markets, accentuated by fears of shortage and by a 5% increase in American consumption, the latter being due chiefly to higher newspaper circulations, stimulated by war news, rather than to improvement in newspaper advertising. The increased demand reached a deceptive peak in the usually low months of June, July and August and was followed by a downward trend in what is usually the best period of the year.

Over 20% Idle Capacity

"Preliminary reports indicate that Canadian newsprint shipments in 1940 amounted to approximately 3,425,000 tons, compared with 2,861,000 tons in 1939 and a five-year (1935-1939) average of 3,003,000 tons. The effective capacity of Canadian newsprint mills in 1940 was 4,368,000 tons. Total Canadian newsprint shipments in 1940 were thus about 78% of capacity. The mills under Governmental prorating in Quebec and Ontario, which constitute four fifths of total Canadian capacity, averaged about 72% of capacity.

Stable Market Prices

"Market prices of Canadian newsprint remained remarkably stable despite the increased demand. Increases in certain overseas prices, particularly in the British Isles and Australia, have been due to higher ocean freight and insurance rates which yield no higher return to the manufacturer. In the United States market, which represented about 75% of Canadian sales in 1940, the price remained at $50 U. S. funds for delivery at New York. This price has been in effect since Jan., 1938, and has been announced as applying through the first quarter of 1941, a period of 39 months without change.

"In thus preserving price stability, despite increased demand and the upward trend of other commodity prices, the Canadian manufacturers have carried out the assurance which they gave the Government of Canada at the outbreak of war. The Canadian mills have also demonstrated their dependability as a source of supply by filling approximately 70% of United States demand, compared with only 62% in 1939 and by meeting the also suddenly increased needs of consumers in other markets when European supply became unavailable. Canadian shipments to overseas markets in 1940 amounted to about 650,000 tons compared with 480,000 tons in 1939 and the previous peak of 620,000 tons in 1936.

Wartime Responsibilities

"Canadian newsprint manufacturers, like the manufacturers who supply book and writing papers, pulps, container boards, insulating wall boards, wrappings, tissues and all the products which constitute the Canadian pulp and paper industry as a whole, have wartime responsibilities which are well recognized. The newsprint manufacturers have two jobs. The first is to help provide Canada with the foreign exchange on which the ability to wage war depends to a considerable degree. The second is to preserve stable and dependable conditions of supply to sustain a free press as an essential weapon of democracy.

"In providing foreign exchange, newsprint is the most important of all Canadian commodities with the single exception of gold. Nearly 98% of Canadian newsprint output is sold outside Canada, chiefly in the United States, and its export value in 1940 probably established a new record. In 1940 Canadian newsprint obtained something like $125,000,000 American funds from shipments to non-British countries, as well as several millions of pounds sterling from shipments to the British Isles and other parts of the Empire. After gold and rubber, newsprint yields more United States dollars than any other commodity in the British Empire."

U. S. Pulp Mills Maintain Output at High Level

From Our Own Correspondent

MONTREAL. — Little change is noted in the trend of pulp production in American mills reporting to the U. S. Pulp Producers Association. During November they operated at 86% of capacity and turned out 639,396 tons of pulp. This compares with same operating ratio in October and an output of 650,970 tons.

Breakdown of returns shows sulphite production in November at 207,823, as against 215,145 tons in the previous month. Sulphate output aggregated 310,611 tons, or about 15,000 tons less than in the previous month.

Groundwood production at 105,933 tons shows an increase of nearly 10,000 tons over that for October, 1940.

The decline in chemical pulp production is practically all accounted for by the fact that there were fewer operating days in November than in October.

St. Lawrence Corp. Retires 4,170 Class A

MONTREAL.—St. Lawrence Corp. has purchased for redemption and cancellation as at the end of 1940, 4,170 shares of Class A preferred stock. This leaves outstanding 293,901 shares of an original issue of 300,000 shares.

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New Issue

$2,045,000
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3½% Sinking Fund Debentures
(Non-callable)

To be dated January 2, 1941 To mature January 2, 1953

Principal and semi-annual interest (January 2nd and July 2nd) payable in lawful money of Canada in Halifax, Montreal and Toronto. Coupon Debentures of $1,000 denomination, registerable as to principal.

A sinking fund of 1% will be provided annually during the term of these Debentures.

The Debentures, in the opinion of Counsel, will be a direct obligation of the Province of Nova Scotia and will be a charge upon all revenues, moneys and funds of the Provincial Treasury of the Province. The proceeds of this issue will be used to provide funds for expenditures already made for highways and public works.

We offer these 3½% Debentures if, as, and when issued and accepted by us and subject to the approval of Counsel, Messrs. Stewart, Smith, MacKeen & Rogers, Halifax, N.S.

Subscriptions will be received subject to rejection or allotment, in whole or in part, and the right is reserved to close the subscription books at any time without notice.

Price: 99½ and accrued interest, to yield about 3.55%.

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BANQUE CANADIENNE NATIONALE 66th ANNUAL GENERAL MEETING

Comments on the Bank's Operations by Mr. Charles St-Pierre, General Manager

Review of General Conditions in Canada by Mr. Beaudry Leman, President

The 66th annual general meeting of the shareholders of the Banque Canadienne Nationale was held on Wednesday, January 8, at the head office of the Bank, Place d'Armes, Montreal.

After the usual formalities, the President, Mr. Beaudry Leman, called on the General Manager, Mr. Charles St-Pierre, to read the annual report of the Board of Directors, as follows:

The profits of $1,106,151, reported in the Profit and Loss Account, exceed those of the preceding year by $73,633. This increase has been absorbed by higher taxation and a larger allocation to the amortization of bank premises. The provision for Dominion and Provincial taxes rose from $189,334 to $233,562, and the appropriation for bank premises, from $90,000 to $125,000. As in latter years, the Bank paid $560,000 in dividends to its shareholders and $125,000 to the Province of Quebec under the Act 14, Geo. V, ch. 3. The contribution to the Pension Fund Society amounted to $60,000. The balance at credit of Profit and Loss Account stood at $251,038 against $248,449 on November 30, 1939.

Total deposits aggregate $139,676,666, compared with $142,931,048 on November 30, 1939. We pointed out last year that the deposit figures were swollen by a Dominion war loan the proceeds of which were still on deposit with the banks. These sums were gradually withdrawn in the course of the year, the balance at credit of the Federal Government on our books, on November 30, 1940, showing a shrinkage of $5,828,750 in the year. Notwithstanding this reduction, total deposits are lower by only $3,254,382. The interest-bearing deposits by the public total $102,487,965, a decrease of $3,641,666, reflecting subscriptions to the last War Loan. Contrariwise, non-interest-bearing deposits gained $3,864,221.

Total assets amount to $159,041,314, against $162,704,839 last year, which was a record for this Bank. Cash assets, higher by $2,845,392, stand at $26,131,253 and represents 17.89% of all liabilities to the public; the percentage last year was 15.57. Quick assets rose from $90,314,231 to $91,088,996 and are equal to 62.36% of all liabilities to the public, as compared with 60.39% a year ago. Investments are shown at $60,996,810 against $62,399,893 in 1939.

Current loans and discounts amount to $49,586,894. They show a decline of $3,263,327 from the corresponding figures in the previous year. In the course of 1939, the Bank had assisted a number of contractors engaged in road construction and the substantial advances made therefor were paid off in 1940. As a matter of fact, our loans to agriculture, commerce and industry increased, the latter to the extent of some 20%.

Whilst the Bank welcomes the opportunity of expanding its facilities to trade and commerce, it feels nevertheless that its clients should be forewarned against the dangers of undue optimism. Any economic activity which is largely dependent upon wartime conditions cannot be expected to last indefinitely. Sooner or later readjustments will have to be faced and commitments which appear normal today may prove onerous a few months or a few years hence. Caution and foresight are more necessary than ever.

Moreover, and at the risk of appearing to be over-sanguine, may we express the hope that an upward revision of taxation be not the cause of a downward trend in business? There would seem to be room for economy in the costs of collecting taxes. Very heavy imposts are already integrated in the prices of most commodities and a further rise in the cost of the necessities of life would have unfavorable social repercussions. The Public Treasury itself cannot escape the law of diminishing returns.

The assets and liabilities of Banque Canadienne Nationale (France) are not included, as heretofore, in the balance sheet. There is no regular and dependable foreign exchange market for the French franc and, in consequence, it is well nigh impossible to express in Canadian dollars items valued in French currency. We have written off the capital-stock of our Paris subsidiary, which now stands on our books at one dollar.

During the year, our note circulation averaged $4,181,135, or $684,654 less than in 1939. The privilege of issuing their notes is being gradually withdrawn from the chartered banks, the contraction having been fixed, under the Bank Act of 1934, at 5% for the first five years and at 10% for the following five years. In 1941, the banks may circulate their own notes up to 65% of their paid-up capital, and the double liability of shareholders is being proportionately reduced.

During the past year, the Bank opened a branch at Drummondville and an agency at Richelieu, converted its branch at Vaudreuil Village into an agency and closed its agency at Beloeil Station. The Banque Canadienne Nationale operates 221 branches and 313 agencies, a total of 534 offices.

The members of our staff have acquitted themselves creditably of their duties, which were rendered more difficult by the circumstances, and it is a pleasant duty to report to the shareholders that the Bank's employees have served both the Bank and its customers with loyalty and efficiency.

THE PRESIDENT'S ADDRESS

Gentlemen,

My foremost duty is to pay a debt of respect and gratitude to the late Honourable J. M. Wilson whose demise occurred on September 10. Mr. Wilson joined the Board of Directors of this Bank in 1906. Elected President in 1933, he became Chairman of the Board the following year. For more than thirty years our institution was privileged in having the benefit of his wise counsel. His successful business career stands as an example for the younger generation and afforded him many opportunities to render great service to his compatriots. The directors of the Bank held him in high esteem.

On December 20, the Directors elected Mr. A. J. Major, of Ottawa, to fill the vacancy on the Board. A former President of the Ottawa Board of Trade, a director of the National Grocers Company, Limited, and of the Capital Trust Corporation, Mr. Major is a well known business man. His experience will be valuable to the Bank and, furthermore, your Directors deemed it advisable to have a member of the Board residing in Ottawa and in the Province of Ontario.

In moving the adoption of the annual report of the Bank, which Mr. Charles St-Pierre, General Manager, has just read, I should like to add a few remarks on business conditions.

AGRICULTURAL PRODUCTION

Last year's crops were generally abundant. The total gross value of field crops in 1940 is estimated at 648 million dollars, about 3% less than in the previous year, which was the highest on record since 1930. These figures do not pertain to actual sales; they seek to represent comparative values.

The dairy industry made notable progress in 1940. From January 1 to November 30, 252 million pounds of butter were manufactured, this being 1.4% less than for the corresponding period of 1939, whereas the production of cheese showed a gain of 15%, amounting to over 138 million pounds.

Acreage sown to wheat reached the all-time high of 28,700,000 acres, the Prairie farmers having cherished the hope that history would repeat itself and that, as occurred in 1914-1918, the war would enlarge the demand for wheat and raise its price. The 1940 wheat crop is estimated at 547 million bushels and the carry-over on July 31 was about 300 million bushels. Our markets in Continental Europe are now closed and the only important buyer is the United Kingdom. Unless unpredictable conditions develop, the carry-over on July 31 next may well exceed 500 million bushels. To find satisfactory markets for an exportable surplus of this size is no mean undertaking.

Is there another solution to the wheat problem than the limitation of the area sown to wheat? Many factors might contribute to make this solution acceptable, such as the extension of mixed farming, of cattle-breeding and of dairying, coupled with the development of industry in Western Canada affording opportunities for employment.

INDUSTRIAL ACTIVITY

The war economy has altered the trend of industrial production in this country. The pressing needs of both the Canadian and the British Governments for war supplies have given a great impetus to iron, steel, metallurgical, shipbuilding and mechanical industries. Mills, arsenals, barracks and airdromes are being built post-haste.

Preliminary statistics indicate that in 1940 the products of Canadian mines exceeded, for the first time, a value of 500 million dollars. The previous record reached in 1939 was about 475 millions. Gold production, having mounted without interruption for many years, reached 5,228,000 ounces for the first ten months of 1940 in comparison with 5,094,000 ounces for the same period of last year; it can be confidently stated that the value of the gold produced in 1940 will exceed 200 million dollars. The output of base metals was larger than in 1939. Forestry operations expanded materially in 1940 and again this year they show every indication of being extensive.

Available statistics indicate that, during the period of eleven months ended November 30 last, economic activity was much greater than in the preceding year. Our imports of raw materials (cotton, wool, petroleum, rubber, etc.) registered considerable gains. The production of steel, larger by 48%, stood at 1,825,752 tons. Automobile factories turned out 199,620 vehicles of all kinds, against 138,450 last year. The relative figures of the production of newsprint were 3,165,000 tons, against 2,628,000 tons. Exports of wheat flour amounting to 6,625,291 barrels exceeded those of the full year 1939. The cotton textile industry utilized 158 million pounds of raw material, a gain of 60%. Noteworthy progress was in evidence in sugar refining, meat packing, the clothing and shoe industries and the manufacturing of tobacco.

Building trades were very active; contracts awarded in 1940 exceeded 346 million dollars, topping the figures of 1939 by 84.5%.

EMPLOYMENT RISES

The up-trend of economic activity was bound to have an immediate repercussion on employment. Some 28,539 workers were added, for the single month of October, to the payrolls of the firms which furnish monthly returns to the Dominion Bureau of Statistics. This increase is all the more striking as it runs contrary to the seasonal trend. It should be noted that, on November 1, the employment index was the highest recorded. During the first nine months of 1940, the number of wage-earners increased by 450,000, a percentage of 19, while the number of unemployed dropped by 220,000, or 58%.

DOMESTIC TRADE

During the first three quarters of 1940, wholesalers increased their turnover by 9.6%, whilst retailers increased theirs by 14.7%, relatively to the figures of 1939. This advance reflects, firstly, a larger measure of purchasing power in the hands of wage-earners and, secondly, some forward buying in anticipation of rising commodity prices.

How long will this commercial activity be maintained? War taxes serve a double purpose; not only do they replenish the Public Exchequer, but they also curtail public consumption, thereby eliminating the production of goods not essential to national defence. In the process of bringing about these diversions, the utmost caution should be exercised for fear that important parts of the mechanism of production be thrown out of gear.

FOREIGN TRADE

If, on the one hand, the markets of Continental Europe are, through the blockade, inaccessible, on the other hand, a number of Canadian products have found wider outlets in the United States and in other countries. As regards imports, the stimulus which war gave to Canadian industry brought about a substantial demand for foreign machinery and raw materials.

For the twelve months ending October 31, 1940, Canada's foreign trade, excluding gold, amounted in the aggregate to 2,196 million dollars, against 1,584 millions during the same months of 1939. Exports rose from 882 to 1,162 million dollars and imports from 702 to 1,034 million dollars. Our main exports were, in order of value: newsprint, wheat, lumber, meat, pulp, automobiles and parts, fish, wheat flour and cheese.

More than 80% of our external trade was with the United Kingdom and the United States. Our exports to the United Kingdom exceeded our imports from that Country by some 330 million dollars, while our trade with the United States showed an excess of imports over exports of some 253 million dollars. Formerly, the amount of our unfavorable balance of trade with the United States was made good through the sale in New York of the pounds sterling representing our favorable balance of trade with the United Kingdom. Present conditions, however, preclude the possibility of Great Britain providing enough United States funds to cover both her requirements and our own.

In the course of last month, the Parliament of Canada took steps to limit imports from the United States. Otherwise, Canada might have been forced to explore whether or not a loan could be negotiated in the United States. Any borrowing in that Country would be, at best, only a palliative and would bring no permanent redress to the present situation.

CANADA AT WAR

In the establishment of our war economy, the Federal Government sought to guard, as far as possible, against monetary inflation.

In accordance with theories now considered obsolete, it was thought that a stiffening of rates would discourage unnecessary borrowings, that a rise in prices would curb the consumption of various commodities and that an increase in the wages of workers engaged in the production of essential goods would tend to attract workers from non-essential industries. Modern technique approaches the problem from a different angle. The vicious spiral is condemned, interest rates are not allowed to rise, commodity prices are kept stable, salaries and wages are maintained at normal levels and any buoyancy of stock market operations is frowned upon. In a word, all indexes are set. The curve is decidedly flat.

Be that as it may, the Government invites the goodwill and co-operation of the public who is, however, oftentimes confused and bewildered at just what is expected of him. In the course of the past year, many persons imagined that the State sought to appropriate a portion of their cash or of their bank deposits. All anxiety in this respect may not have been fully allayed. The financial policy of the Government is sometimes misapprehended. The people should realize, however, that inasmuch as the State issues the currency, it has no reason to reclaim its non-interest bearing promises to pay, which the public readily accepts in exchange for goods and services.

As regards bank deposits, the Government had to its credit, on October 31 last, with the Bank of Canada and the chartered banks, some $210,600,000. These deposit accounts are replenished from various sources such as customs and excise duties, taxes, war loans and the sale of war savings certificates and stamps. Additionally, as, if and when the amount on deposit indicates a deficiency in working balances, the banks can and do lend to the Government, thereby building up its deposits, pending the issue of war loans.

The public is urged to subscribe to the war loans and to invest in war savings certificates and stamps, because it is felt that all citizens should participate in the war effort. Furthermore, another purpose is served which is to curb the purchasing power of consumers. The State wishes to enforce thrift, in order that it may for itself and without any undue marking-up of prices purchase the goods and services which it considers necessary to the pursuit of the war. The lessons of the last war have demonstrated beyond question that, unless the public sets aside a portion of its earnings in a period of unusual and artificial activity, it will be ill-prepared to face the hardships and contraction of the post-war period. The Government does not seek to pare down legitimate expenses, but it strongly insists upon the curtailment of luxuries and the elimination of waste. The public may increase a hundred-fold the efficacy of these measures by giving them its whole-hearted co-operation.

CANADA AND POST-WAR CONDITIONS

The present war, much as the World War of 1914-1918, cannot fail to have a far reaching influence on the Canadian economy. When peace is restored, our industrial equipment will have been considerably enlarged. Whereas a number of plants may prove of small if any utility, many others may be adapted to new market requirements.

In all probability, we will have to face competitive conditions more severe than ever and we must be prepared to produce cheaply. This cannot be achieved with taxation bearing too heavily on industry. May we hope that the Interprovincial Conference to be held in the course of this month in Ottawa will explore the avenues of escape from excessive imposts and from unduly high costs of tax collection? The Premiers of the Canadian provinces will meet in Ottawa on January 14, to study and discuss with the Federal Authorities the report and recommendations of the Rowell-Sirois Commission. This Commission made an exhaustive survey of the political and economic setup of Canada and has advanced a number of suggestions as to the respective realm of Federal and Provincial activity.

The Fathers of Confederation could hardly have been expected to foresee in all its implications the evolution of our monetary and taxation systems. There appears to be little doubt that improvement can be achieved in methods of administration and that greater efficiency is not beyond the reach of democratic communities. Our legislators should not be expected to accept all the conclusions and consequences of the Rowell-Sirois report, but they are sure to find therein the subject matter of useful meditation.

The excess profits tax, although conceived in a spirit of fairness, may well turn out to be a severe drain upon reserves which are indispensable to the renewal of depreciated and obsolete equipment. It would appear desirable, in our view, that the Government make generous allowance for that part of the profits which companies allocate to the amortization of their plants. One would hesitate to take issue with the Government when it claims for itself the lion's share of war profits otherwise destined to swell dividends already reasonably generous. There is less justification for the Government to appropriate profits which should be and are meant to write off wasting assets. It is of vital importance to the economic and social welfare of the Country that its industrial framework emerge from the war both strong and up to date.

The unusual demand which the war made upon Canadian industry promptly brought out the fact that we had little if any excess of skilled labor. No time should be lost to remedy this shortage, not only on account of the present urgency, but also having in view tomorrow's needs. It is gratifying to hear that many employers are organizing internally the training of men and that the Government of the Province of Quebec will add technical courses to the programme of a number of primary schools.

Notwithstanding the dark days through which we are living, we have reason to face the future with confidence. True enough, the war will leave this country heavily in debt, but it will not strip it of its vast natural resources and of the development already achieved. When the blessings of peace are again the lot of man, Canada may look forward to a new era of prosperity.

Bond Markets

Dominion Financing Breaks All Records

Raising $1,200 Millions in 1940 Emphasizes Colossal Sums Involved in Canada's War Effort — All Done in Domestic Markets

War is costing Canada colossal sums. If the fact needs any highlighting, Dominion Government financing in 1940 draws the attention of Canadian taxpayers to the magnitude of the task which they have undertaken.

In 1940 volume of Dominion financing, apart from treasury bills, totalled $1,179.9 millions, according to a summary of Wood, Gundy & Co. This amount exceeds substantially any previous year on record. For example, in 1931, considered a big year, total of Dominion financing was $974 millions. And in that year there were conversion loans of $639.8 millions, extending maturities of obligations issued in the First Great War.

* * *

The total for 1940 included the First and Second War Loans, aggregating $574.9 millions, as well as $605 millions of short-term financing, incurred for various purposes, including refunding, repatriation of securities held in the U. K. and war expenditure.

* * *

Provincial Issues Drop

Volume of provincial financing, direct and guaranteed, amounted to $155.5 millions in 1940, against $150.8 millions in 1939. Majority of provincial financing was for refunding purposes.

Municipal issues were somewhat greater than in the preceding two years, amounting to only $19.1 millions. Largest single issue was made by Toronto for $5.7 millions.

There were also $250 millions of obligations issued in connection with the transfer of gold and foreign exchange from the Bank of Canada to the Foreign Exchange Control Board.

Where in 1914-18 the U. S. capital markets were open for Canadian loans, this entire volume had to be financed domestically in 1940 because of the restriction placed on foreign loans by the Republic.

Total of all bond financing in 1940 amounted to $1,354.5 millions, comprised of $336 millions of refunding and $1,018.5 millions of new money.

* * *

Provincial Bankruptcy

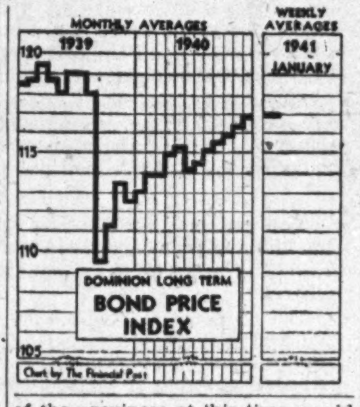
A dire prediction for provincial finances was made by R. W. Fowler, one of the secretaries of the Rowell-Sirois Commission, when he stated that "seven or eight" provinces faced the prospects of defaulting on their obligations.

Mr. Fowler's statement cannot be taken as just another irresponsible utterance of a politician. For he has received a broad insight into the subject of finances in Canada through his connection with the Sirois Commission. Doubtless his statement was well weighed.

* * *

Programme Needed

This startling declaration focuses once again the spotlight on the subject of war finance and the provincial governments. Again it is emphasized that each unit of Canadian governments cannot pursue their fiscal policies independent of the other units in the Dominion, or heedless of the more imperative needs of the senior authority.



To Mr. Fowler default of any one of the provinces at this time would be "villainously destructive" to the war effort. This concurs with the majority of responsible opinion on the subject. The needs of the Dominion must have priority over those of the junior bodies.

* * *

Bond Index

The D.B.S. index of long-term Dominion of Canada bonds at 117.1 for the week ended Jan. 2 was up 0.1 point from the previous week. It was 4.9 points higher than in the same week of last year.

DOMINION OF CANADA
Long-term Bond Index

	Weekly average Dec. 27-Jan. 2	Preceding week Dec. 20-26	Weekly average year ago
Price	117.1	117.0	112.2
Yield	69.3	69.5	75.5

War Savings

Full Steam in February

In a manner not seen in Canada since the end of the Great War, the Dominion is going to make Feb., 1941, the month in which it sells its citizens on savings.

Executives will be enlisted by their local committees, employees will hear addresses and receive personal calls, housewives will find a new sort of peddler at the door with war savings certificates in his pack. Even school children will find that their teachers have turned into salesmen overnight.

And behind all the personal contacts which will be made will be a barrage of publicity from newspapers, magazines, billboards, movies and radio. Large thermometers, prominently displayed, will show each community its progress in the campaign. Parades and brass bands will support the huge rallies that will take place. Competitive community spirit will be stimulated for the benefit of the war effort.

* * *

Objective Tripled

While no official individual objective has been set, the goal for the Dominion is $10 millions per month (a little over three times the present rate) from 2 million Canadian workers. It is hoped that each worker will invest at least 5% of his income in certificates—which will probably be necessary since the total calls for an average of $5 per month per worker. The monthly objectives set for the provinces are as follows:

British Columbia	$1,000,000
Alberta	530,000
Saskatchewan	250,000
Manitoba	520,000
Ontario	4,680,000
Quebec	2,400,000
New Brunswick	200,000
Nova Scotia	400,000
Prince Edward Island	20,000

Recruiting of the thousands of volunteer workers needed by local committees is now under way. Committee heads have been instructed to pick their men with a view to continued activity. Unlike war loan bonds, war savings certificates have to be bought out of each succeeding pay envelope.

* * *

Fulfilling Pledges

Automatic deduction of the amount pledged by the employer under a plan, or a bank pledge for a similar deduction out of a savings account, helps solve the problem and to a certain extent ensures that the pledges will be fulfilled. But in the case of straight honor pledges from persons who cannot be reached through employers or banks some memory-jogging will be needed. Only a trained army of personal canvassers can ensure that the pace set by the February campaign will be maintained.

Individual requirements of the varied war savings districts will determine the exact subcommittee set up for each district, but the War Savings Committee at Ottawa has drawn up the following general plan for subcommittee organization:

1. Employer-employee plan.
2. Bank and honor pledge.
3. War saving societies.
4. Publicity.
5. Speakers.
6. Secretarial.

Once the local organizations are completed, plans call for a canvass of industry, business and the professions early in the month followed by the household canvass.

Lindsay Control Still in Doubt

From Our Own Correspondent

MONTREAL. — Reported change in the control of C. W. Lindsay & Co., dealers in musical instruments, etc., to A. L. Mailman, of Montreal, cannot be confirmed officially.

Last week The Financial Post was informed that Mr. Mailman had received sufficient acceptances of the offer for control of the company to pass into his hands and he would exercise his option to purchase.

At the end of last February there were 4,812 shares of preferred and 33,008 shares of common stock outstanding. As both classes of stock carry one vote, it would be necessary to control over 18,910 shares to control the company.

Doubt has arisen over the original statement. It has not been possible to obtain from Mr. Mailman, the company or others interested a definite statement as to whether or not control actually has changed. The matter is likely to remain in doubt for a while, possibly until the annual meeting in May.

Winnipeg Electric Co. Interest Free of Tax

MONTREAL. — The Federal Income Tax Division has made a ruling that the 5% tax will not be imposed on Canadian holders of Winnipeg Electric Co. bonds and debentures.

Nova Scotia Offers Bonds

$2 Millions Loan to Pay For Expenditure on Public Works and Roads

From Our Own Correspondent

MONTREAL. — Syndicate of underwriters, headed by W. C. Pitfield & Co., is offering $2,045,000 of debentures of the Province of Nova Scotia. The issue is dated Jan. 2, 1953, carries a coupon of 3½% and is offered at 99½ and accrued interest to yield approximately 3.55%.

A short-term issue of $1 million was sold privately.

Proceeds of the loan will be used to provide funds for expenditure already made on highways and public works.

Sinking fund of 1% annually will be established by the province on the issue.

Budget to Balance

Hon. A. S. MacMillan, premier, provincial secretary and treasurer, states in the offering prospectus that it is expected that the province's budget will be in balance in the year ended Nov. 30. Budget estimate calls for a deficit of $193,243, after provision for sinking fund. In the year ended Nov. 30, 1939, a deficit of $193,792 was reported after sinking fund.

Nova Scotia sold $3.1 millions of debentures late last year, composed of: $1,516,000, bearing interest at 3%, dated Nov. 15, 1940, and maturing 1944; $1,592,000 of 3% debentures, dated Nov. 1 and maturing May 1, 1950.

The 1950 debentures were offered at 97 and accrued interest to yield 3⅞%.

The province's issues maturing in the current year will be quite light. A $1.5 million issue matures Aug. 16, and two issues fall due Nov. 15, totalling $558,000.

Smokers Contribute Heavily to Ottawa

From Our Own Correspondent

MONTREAL. — Approximately $65 millions in the form of excise sales tax will accrue to the Federal treasury in 1941, provided consumption of tobacco remains at present levels, according to Earle Spafford, president of Imperial Tobacco Co. of Canada. Mr. Spafford also pointed out the industry will pay in further substantial sums in corporation and income tax.

Bell Co. Stock For Repatriation

Public offering will shortly be made of 30,000 common shares of Bell Telephone Co. of Canada stock acquired from the British Government, The Financial Post learns. The offering, priced at $158.50 per share, involves a total of $4,755,000, and at this price the shares yield 5.047% per annum at the 1940 dividend rate of $8 per share.

These shares are a part of the British private holdings of Canadian securities which have been taken over by the British Government for repatriation to Canada. This is apparently the first time that a large syndicate has been organized to handle the distribution of former British held securities to Canadians.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Drilling Cont. ..	5½%	1943	Jan. 15	100
Stand. Lime ...	6%	1944	Feb. 1	102
Dom. Telegraph	5¼%	1978	Feb. 2	100
†Drawn by lot $4,300.				
Stock Issues:				
Guelph Carpet	6½% Pref.		Jan. 10	†105

†Plus accrued dividend.

WEST PETROLEUM
LIMITED
Bought — Sold — Quoted

TREATY PETROLEUM
LIMITED
Bought — Sold — Quoted

WATT & WATT
Members:
Toronto Stock Exchange
6 JORDAN STREET
TORONTO
AD. 7151

Canadian Car Award Upheld

U. S. Supreme Court Rules Favorably on 1917 War Claim

From Our Own Correspondent

MONTREAL.—The United States Supreme Court has decided in favor of the Agency of Canadian Car & Foundry Co. and other claimants in the Black Tom explosion and Kingsland fire cases.

The way is now opened for payment to Canadian Car of its long-standing claim of $5.9 millions and accrued interest at 5% annually from Jan. 31, 1937, awarded by the German-American Mixed Claims Commission. Canadian Car's award has been filed with the U.S. Treasury, where, it is understood, there are sufficient funds to pay at least the principal amount of the award.

The claim arose from destruction by fire and explosion of the plant of the Agency of Canadian Car & Foundry Co. on Jan. 11, 1917, by German agents.

Silverwood Dairies Ltd. Bonds Are Offered

Harrison & Co. is offering $1.5 million of Silverwood Dairies Ltd. 4½% first (closed) mortgage bonds at 101 and accrued interest to yield approximately 4.40%. The issue is made up of $600,000 in serial bonds maturing $100,000 annually on Jan. 2, 1942 to 1947 inclusive, and $900,000 maturing Jan. 2, 1956.

Bonds are being sold subject to the approval of shareholders and holders of the company's 6% debentures who are to meet Jan.

Proceeds of the issue will be used for redemption of the $1,110,000 outstanding of the present 5% first mortgage bonds, to reimburse the company for capital expenditures in 1940, and for contemplated capital expenditures and other corporate purposes.

Bond Tenders

Jan. 11, Village of Kemptville—$7,000, 3½% 10-installment bonds, due 1941 to 1950, dated Dec. 31, 1940. R. J. Patterson, clerk.

Notice of Redemption CITY OF ST. JOHN'S, NEWFOUNDLAND

6% 15-Year Sinking Fund Bonds Maturing February 1, 1947

Notice is hereby given that pursuant to the terms of the Act 22 Geo. V. (1932) Chapter Five and of the Prospectus of Issue of the Bonds the Montreal Trust Company, Trustee of the Sinking Fund, has drawn for redemption the bonds hereunder listed, to the capital par value of $40,000.00 and that the said listed bonds will be redeemed on the First day of February, 1941, at par, with accrued interest on the principal thereof to the First day of February, 1941, at any of the principal offices of The Royal Bank of Canada in the Cities of St. John's (Newfoundland), Montreal or Toronto (Canada) upon surrender of said bonds with coupons due on the First day of February, 1941, and with all subsequent coupons appertaining thereto, at any of the said offices on said date.

Holders of bonds are required to present their bonds and coupons as aforesaid for redemption at one of the said offices on the said date; and in case such presentation be not made on the said date all interest on such bonds shall cease from and after the said First day of February, 1941.

Numbers and Denominations of Bonds to be Redeemed:

SERIES A—$1,000 DENOMINATION
005 006 009 019 020 045 054 068 074 082 090 097 140 153 162 163 168 189 209 254 281 288

SERIES B — $500 DENOMINATION
015 016 035 050 056 063 066 100 118 120 125 133 137 160 167 194 207 222 226 227 230 232 242 246 247 248

SERIES C — $100 DENOMINATION
032 036 041 071 094 095 099 110 112 125 128 133 157 170 174 236 256 293 296 301 321 333 352 373 424 429 434 493 519 521 527 546 563 581 583 586 603 614 616 617 657 680 686 710 733 736 737 738 747 750.

Dated the 23rd day of December, 1940.

MONTREAL TRUST COMPANY,
Trustee.

Foreign Exchange

During the week Dec. 30 to Jan. 6, there was no change in the quotation to the United States dollar at Toronto and Montreal, which was $1.10 for buying and $1.11 for selling. The sterling rate likewise was unchanged at $4.43 buying and $4.47 selling. The rate is published daily by the Foreign Exchange Control Board.

Other Currencies, Jan. 6

Australia ...	3.58	N. Zealand..	3.61
India	.3372	S. Africa ...	4.47
Japan	.2608	Hong Kong .	.2638

Investment Securities

McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto
Offices at Toronto, Montreal, Ottawa, Hamilton, London.
Correspondents in New York and London, England.

G. E. LESLIE & CO.
Stockbrokers and Investment Dealers
Members: MONTREAL STOCK EXCHANGE / MONTREAL CURB MARKET
Offices:
Montreal Halifax Saint John Sydney Moncton
Direct private wires
Head Office:
360 St. James St. W.,
MONTREAL

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED
5-YEAR DEBENTURES ISSUED
Deposits and Debentures (31 Dec., 1939), $11,793,464
Capital (Fully Paid), $2,000,000
Reserve Fund, $2,400,000

On it's 6th Anniversary
SUNDAY
La Patrie
JOURNAL DU DIMANCHE
tenders its sincere thanks to its readers, its newsdealers, its 1200 national and local advertisers and its own staff, who have made possible the success of this great French Sunday newspaper, which now reaches
150,000
homes
Here's how the circulation has grown
First Issue January 1935 19,000
1935 Average 41,935
1936 Average 76,904
1937 Average 100,696
1938 Average 104,620
1939 Average 118,238
1940 Average 136,000
PRESENT CIRCULATION 150,000
A WEEK-END CIRCULATION (Saturday & Sunday) of Over 175,000 Copies
Member A.B.C.
La Patrie
JOURNAL DU DIMANCHE
IS SOLD IN 98% OF QUEBEC'S CITIES, TOWNS AND VILLAGES
Member A.B.C.

The Editorial Page . .

Let's Mark This Bill Paid

As a result of the editorial suggestion made by **The Financial Post** that Canada write off the long-standing debt of $6,525,000 due this country from Greece, the Moose Jaw City Council has unanimously passed the following resolution:

> "WHEREAS the Kingdom of Greece is indebted to the Kingdom of Canada in the sum of $6,525,000.00 as the result of a loan following the last Great War;
>
> "AND WHEREAS in the words of the Hon. C. A. Dunning, former Minister of Finance, 'Greece had the courage to set out to demonstrate that the Italian colossus has feet of clay; the soldiers and people of this small but ancient nation are fighting Canada's battle just as surely as our Canadian soldiers, sailors and airmen';
>
> "AND WHEREAS we are asking other freedom-loving countries to eliminate the dollar sign from the war;
>
> "NOW BE IT RESOLVED that the Dominion Government be advised that in the judgment of the Municipal Council of the City of Moose Jaw it would be a timely, statesmanlike contribution to the general war effort to forgive the Greek debt now."

Beginning to Face the Facts

There was a new—and welcome—note of urgency in some but not all of the ministerial year-end statements.

The people of Britain place great confidence in the productive capacity of Canada. "Our factories, our workers must not let England down." So said Hon. C. D. Howe, Minister of Munitions and Supply in his New Year's broadcast from England.

He added:

> "The urgent need here is more production, more airplanes, more ships, more guns, more tanks, more ammunition. Somehow the feeling of urgency that prevails here must be brought to Canada to spur our own war workers. Our first line of defence here on the North Sea must hold; the alternative brings war to Canadian soil. The New Year must be one of production, still more production."

In his New Year's message, Prime Minister King warned against false optimism. And he added:

> "We have everything to gain and nothing to lose by viewing, in all its stark realism, the tremendous task which faces the defenders of freedom. That task may well be greater in 1941 than it has been in 1940. It is going to demand more effort, more sacrifice, and far more change in our daily lives than up to now has been required."

It is far better that our ministers of the crown should face the situation so realistically than that they should be creating unjustified complacency by too much boasting. The other day the Windsor Star remarked:

> "Isn't it about time the members of the Government stopped patting themselves on the back? Isn't it about time they stopped making these promises for some vague period in the future? We are fighting this war NOW, and Hitler is not going to wait patiently for a year, curbing his production until we have ours stepped up."

This is straight speaking. The truth is that we have a long way to go yet before we shall be producing to the maximum capacity of this country.

We are still, for instance, not using our aircraft capacity beyond a fraction. We are not building wooden ships, at least not of Canadian timber.

We have much further to go before we shall have eliminated wasteful spending from civilian and government life.

Mr. Howe wisely wants workers to be made to feel the urgency of the situation. The best way to achieve this is for government policies to reflect that urgency. Let us make bold dramatic moves to cut out wasteful public expenditures. Let us achieve the most business-like direction of war production. Let us set up an adequate system of priorities in raw materials, machinery, labor and money.

This new note in government statements is welcome. In the past the ministers have been too much concerned with advertising, even of exaggerating, our war achievements, not enough concerned with stirring the country to greater production, greater effort, greater sacrifices.

Our Platform For Canada

1. *Strengthening cabinet leadership by drawing on Canada's best executive brainpower irrespective of political considerations.*
2. *An inner war cabinet, free from departmental duties, to plan the nation's war effort and to see that the plans are carried out.*
3. *Appointment of non-political industrial executive with complete authority to organize and direct procurement of munitions and supply.*
4. *Pay-as-we-go policy, in so far as consistent with an all-out war effort.*
5. *Elimination of public and private waste.*
6. *A national programme for post-war employment and relief problems, along lines of Sirois report.*

Winning the war has become the focus, for all effort, national or personal, in Canada. It requires full mobilization of the nation's material and spiritual resources.

To the fullest degree, this should be achieved by individual effort, freely made.

Strong national leadership will inspire service and sacrifice which in turn will reduce the need for regimentation and compulsion.

Poison Letters

Canadian editors find it necessary to be on guard against insidious propaganda that subversive persons seek to plant in their "letters to the editor" column.

It is obvious that active anti-British agents have been trained to write letters to the papers, usually making a plausible point about some matter of topical interest but also seeking to sow a seed of suspicion as to the justice of the cause for which we are fighting.

The Post has received many such letters. They are not difficult to spot. One letter received a few weeks ago from Vancouver bore internal evidence of having been written by the same person who planted a letter in an American magazine, which represented Canadian youth as being dragooned to fight for an "Imperialism." The letter to The Post was more subtle and its subversive character was not apparent at first glance. But the effect was to divide rather than unite; and to arouse the suspicion that certain groups were not doing their bit for the war.

Careful investigation by The Financial Post revealed that no person existed in Vancouver of the name signed to either letter.

Another letter this week is—on the surface—merely an attack upon "sorehead politicians" —Meighen, Hanson and Drew being specifically named. Actually the real purpose of the letter is to warn against the "hysterical idea" that we should rush all aid to Britain, leaving Canada "defenceless." The writer professes fear that our increased production will merely benefit Germany and he cites in proof Poland, Czecho-Slovakia and France.

The letter is signed. Every family of the name in Toronto has been canvassed by The Financial Post. Two persons with the same Christian name have been found. One, a workman, indignantly denies authorship of the letter. The other is an illiterate negro.

Many other letters received by The Post have been obvious fakes. Unquestionably someone is carefully organizing a "letters to the editor" campaign of propaganda against our war effort.

Public Will Follow Good Example

If the campaign to promote self-denial and savings among the Canadian people is to be wholly successful, it is very important that all of our governments should set noteworthy examples.

One or two dramatic moves by Ottawa in the direction of economy—even of economies that are hard to take—would do more to convince the Canadian people of the seriousness of the war than all the passionate words in the lexicon.

The Financial Post has already suggested the Montreal terminal project as one where steel, labor and money are being used and where work should be suspended until after the war.

Another action that would be arresting to public attention and set a useful example would be to shut down the Rideau and Trent Valley canals for the duration of the war. Even as a tourist attraction they are not worth their cost.

Editorials in Brief

General Motors of Canada underscores a great truth in that magnificent full-page advertising it has been running in support of the War Savings Certificate Campaigns. "Work for Victory . . . Lend to Win" it says to the workers of Canada.

Wars are won and paid for by increased production and self-denial. In both roles all Canadian workers have a part to play.

• • •

The Journal of Commerce, New York, tells of South Africa's prosperity. That Dominion has no exchange difficulties; she is shipping newly mined gold at a rate of $500 millions annually. The New York paper thinks that South Africa will probably have to turn more and more to the United States rather than Great Britain as the chief source of manufactured goods.

Canada should not miss opportunities in the South Africa market. Whatever South Africa buys in Canada brings gold to this country, and this gold can be used to further the Empire's joint war effort.

• • •

Two partners in a Montreal clothing firm, Moses and Philip Segal, have turned back to the Government a profit of $4,737 made on battle dress for Canadian soldiers.

The T. Eaton Co., who built a new factory in Montreal at the urgent request of the Department of Munitions and Supply to make military uniforms, have refunded the profit of $42,000 to the Government.

United Drug Company have returned to the Government any profit made on sale of drugs to the Government in 1940. The cheque was for a "sizeable amount."

These public-spirited, unselfish donations of executive time and talent recall the action of Frank Baillie (later Sir Frank) in the last war in giving the Government a cheque for $758,240, representing profits he had made on the manufacture of shells.

• • •

It is being argued that Canada should not attempt to deal with the important question of Dominion-Provincial financial relations while the country is engaged in war.

But the Sirois recommendations represent a most urgent phase of our planning for the post-war period. If we do not deal with the problem now it will be too late to do much about it once the war ends.

On the first day of peace, unemployment will come to thousands of Canadians. A "relief" problem of gigantic proportions will begin to snowball. We shall have neither the machinery to handle it nor the financial dispositions to meet the bills. In the broad outlines of the Royal Commission's report is to be found the means of handling this problem under central direction.

To suggest that we should postpone consideration of this matter until after the war is like suggesting that it is wasteful to put fire insurance on a factory until it starts to burn down.

• • •

A reader in Saskatchewan offers to send us details of his instrument for producing rain and snow when and where wanted.

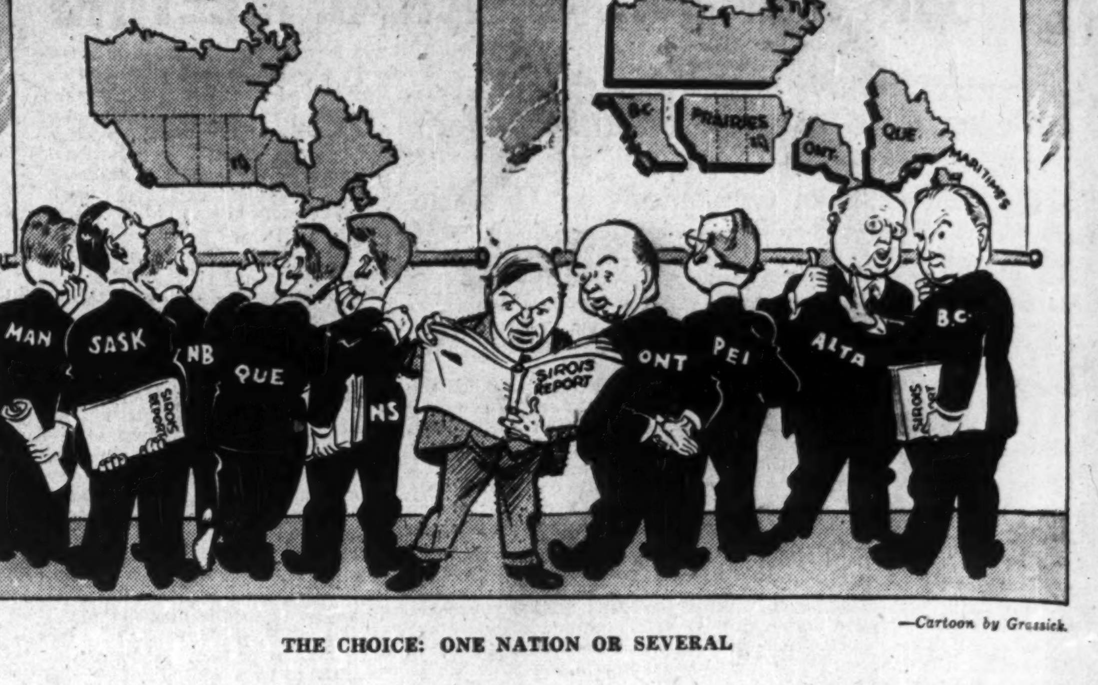
If the instrument will bring down German airplanes as easily as it is supposed to bring down raindrops we'll be glad to listen.

• • •

A very comprehensive study has been published in the United States of the mobilization of the nation for war. "Mobilizing Civilian America" is the title of this outline of government plan for "M-Day."

It points out that one of the lessons taught by the last war was that the piecemeal control and mobilization of industry is expensive and ineffective. There was plenty of power in the hands of the government to organize the nation's war industries for production. The powers were used liberally but without centralized control. The result was not industrial mobilization but industrial confusion.

There is a lesson in that for Canada.



—Cartoon by Grassick.

THE CHOICE: ONE NATION OR SEVERAL

Post-Scripts . . . .

News Service

Last week W. E. Gladstone Murray made one of his infrequent radio "appearances" to tell CBC listeners about the news service inaugurated across Canada on January 1. The service is in charge of Dan C. McArthur, whose headquarters are at the central news bureau in Toronto. As well, the service will operate through small news bureaus of "rewrite" men at Halifax, Montreal, Winnipeg and Vancouver. Each of these points receives, under the new system, the full Canadian Press and British United Press Service which is now being combined and rewritten for radio presentation by the company's own staff.

GLADSTONE MURRAY

Although Gladstone Murray has been general manager of CBC since November, 1936, and prior to that was associated with Lord Reith in the BBC, journalism has been a prime interest of his life. While attending McGill University he founded the McGill "Daily." His first job was free-lance magazine writing, which helped to pay his way through college.

Gladstone Murray was born at Mapleridge in the Fraser Valley of Highland Scotland 48 years ago. He is proud of the Murray tartan which his two children, Ian and Anne, often wear. His father, Paul Murray, still lives in the Fraser Valley and is in robust health, though now in his 90's.

• • •

Gladstone Murray won a Rhodes Scholarship for Quebec Province in 1913. He started to be a lawyer at New College, Oxford, but had only been there a year when war broke out. Eventually he got into the R. F. C. and the R. A. F. where he had 3,000 hours of war flying in France and Italy, reaching the rank of major. His decorations include D.F.C.; M.C.; Croix de Guerre; Order of the Crown of Italy. The latter he gained while flying on the Italian Alpine front.

He is credited with one of the most miraculous escapes on record, while flying on the western front just before the Armistice.

His gunner was instantly killed in a dogfight. The gun, which in those days could be removed, fell out of the gunner's hands and fouled some of the control wires. Murray had to bring the plane down in no-man's land. He crashed, and the plane burst into flames. Both were thought killed.

That night a British scouting party went out to salvage the parts. They found the plane had crashed in a shell hole and that Murray had been catapulted out to the bottom of the hole with the plane burning above him. Murray was hauled out unconscious from a fractured skull which required a trepanning operation and which put him out for the duration.

He had one other narrow escape when a shrapnel burst from an A.-A. gun ripped away his plane's instrument panel and shrapnel lodged in his knee. He still has some of the shrapnel and a slight limp.

• • •

After the war Mr. Murray went into the Ministry of Food in England; then to the League of Nations Union at Geneva as publicity director, and finally to the British Broadcasting Company. He became Sir John (now Lord) Reith's righthand man. After founding the BBC publications he became assistant controller in charge of public relations. He came back to Canada as general manager of CBC in November, 1936.

Mr. Murray is air, as well as radio, conscious. He travels by air, when possible, to expedite his visits not only to Toronto and Montreal headquarters, but also to Winnipeg, Vancouver and Halifax offices.

His chief athletic interest was distance running—mile and cross-country. It is said he can still do a fair run along the trails of the Seigniory Club.

• • •

Dan McArthur

As head of the new CBC news service, Dan C. McArthur can take the credit for such innovations as the clever "cutting in" of Mr. Roosevelt's actual speech during the regular 11 p.m. newscast last Monday night. Dan McArthur has always been chock full of bright ideas. He comes by them honestly, for his father, the late Peter McArthur, was an outstanding person in his generation.

DAN. C. McARTHUR

Peter McArthur was a journalist as well as a publicist, an advertising man, a poet, an author, a rural philosopher and a regular and famous contributor to the old Toronto Globe for almost two decades. Son Daniel was born in New York City where his father was a journalist. After the panic of 1907, Peter shook the dust of the city streets from his feet and returned to the old family homestead at Appin, in Middlesex County.

Wisely he had saved the farm as a refuge for himself and his family in case anything should happen. Both he himself and his family of four boys and a girl have used it on occasion since. Peter McArthur's father cleared the farm himself and built most of the present house. Peter subsequently reforested the farm. He enjoyed his farm, though, if truth be told, he was a writer rather than a farmer.

• • •

Dan and two of his brothers are graduates of O. A. C. This idea of a farm training was another of Peter McArthur's "hedges" against the future. Dan came from O. A. C. to the Globe where he was associate farm editor. From there he went to the old Farmer's Sun under J. J. Morrison and W. L. Smith (who got him up early and worked him late). For a time Dan represented the big Chilean nitrate syndicate in Canada. When synthetic nitrates undercut the market, Dan drifted into free lance work and handled (among other things) publicity for the Royal Winter Fair. He then spent five valuable and busy years with the MacLean Publishing Company—training ground and stepping stone for many scores of writers and those who work with the printed word. He directed promotion on magazines and other promotional enterprises. From MacLean's he went to CBC, primarily to do a public relations job. In the past year he has been supervising news broadcasts in his spare time. This has given him an opportunity to get the feel of the new job which he took over as at Jan. 1.

Dan McArthur went overseas with the 55th Field Battery (O. A. C.) as a signaller. He got two stripes and spent his spare time writing verse and carving souvenirs out of the soft chalk of Flanders Fields. His artistic soul (he had intended to be an artist until his father put his feet along more practical agricultural paths) also finds expression in the accordion, of which he is an acknowledged master. He makes excellent sketches and puns, has five daughters and one son and lives in an old-fashioned house in Weston, Ontario. He commutes to Toronto every day.

• • •

More from Durham

If we are not careful, this column will become official booster for Durham County. Having no sooner finished the story of Durham County's achievements in the life insurance field (M. F. Christie, president, Great West Life; A. N. Mitchell, president, Canada Life), we now learn that Newton J. Lander, managing director of the Continental Life Co. and president of the Canadian Life Insurance Officers Association, is another Durham County product.

How many more are there?

Or, let's put it in another way; what other county can boast as much quality and quantity in the life insurance field?

• • •

Tank Boss

Unless you visit Ottawa frequently, you are apt to be surprised at the number of new faces continually finding their way into the Department of Munitions and Supply.

One recent acquisition is Garfield L. Evans, a mechanical engineer and former industrial adviser to the Bank of Montreal. He was recently appointed Director of Tank Production.

Mr. Evans was born in Lachute, Quebec. He entered the employ of the C. P. R. in 1907 as a junior draftsman. Two years later he was promoted to chief draftsman. In 1910 to '14 he was mechanical engineer in charge of the design of locomotives for repair equipment and held the position of superintendent of the Angus Locomotive Shops, employing from four to five thousand men. This was from 1914 to '17.

For the next two years Mr. Evans operated a steel mill, producing barbed wire nails, steel bars and other fabricated products for the French Government. In 1919 he was named industrial adviser to the Bank of Montreal to lend their aid to clients requiring technical information and advice.

During his work with the C. P. R. Mr. Evans was at intervals chief inspector of locomotive construction at the Baldwin Locomotive Works in Philadelphia; the Schenectady Locomotive Works and the Richmond Locomotive Works. He was responsible for the first super-heater locomotive built in America and also for the design of the first articulated mallet locomotive used for hauling trains in the Rocky Mountain division of the C. P. R.

• • •

Stop Me If . . . .

He had dined very well and was doing his best to fit his key into the lock, singing a happy song meanwhile. After a time a head looked out of the window above.

"Go away, you fool!" cried the man upstairs; "You're trying to get into the wrong house."

"Fool yourself!" shouted the man below, indignantly. "You're looking out of the wrong window!"

Other People's Views . . . .

The Canadian Editorial of the Week

No Time For Petty Squabbling

Leamington Post and News

The recommendations of the Sirois report—probably the most important survey of Canada's national future and needs ever compiled—are going to be discussed in the dominion-provincial conference set for January 14, at Ottawa.

The issues hinging around the implementation of the Sirois recommendations cannot be exaggerated. The adoption of the recommendations, through alterations to the constitution of Canada and the redivision of federal, provincial and municipal responsibilities, will mean a stronger national framework in war and in peace.

Yet there are certain discordant influences at work, fighting the successful adoption of the badly-needed changes.

It is to be expected that there will be a cry raised, by opponents of the measure, that wartime should cause the whole subject to be shelved temporarily. But Professor Angus, a member of the Sirois commission, has answered that cry eloquently.

He explains the whole issue in this simple language:

> "A man (Canada) is carrying a load (the present set-up of government). It is a badly adjusted load—so badly adjusted that the man finds an increasing difficulty in carrying his burden. It is suggested (the commission's recommendations) that the load can be adjusted in certain ways so that it will be easier to carry.
>
> "Then, while the man is considering this, it suddenly happens to him that he has to carry a rifle as well. The argument is that this is all the more reason, as he stoops to pick up the rifle, that he should adjust the rest of his pack as well as he can—as far as it is practical and possible—so that he can carry his rifle better and so that he can be free to use it in the defense of his life and his family and his possessions."

There is the issue which is now before Canada. But there is danger that narrow, provincial politics in a few centres may decide to kick that man as he stoops over to pick up his rifle and adjust his pack. If that happens, the rifle and the pack both will totter.

• • •

As Others See Us

Forgive This Debt

Midland Free Press

The Financial Post suggests that Canada should forgive Greece its debt of $6,525,000. It would be a fine gesture in appreciation of the splendid fight the Greeks are putting up in Albania, a feat of arms that may well be the turning point of the war.

The Post also suggests that such an example set by Canada "might not pass unnoticed in a wealthier country which would be better off if it dealt realistically with certain other intergovernmental debts."

• • •

A Retrograde Step

Simcoe Reformer

Deserved tribute to the services of the Hon. Eric W. Cross as Minister of Municipal Affairs for Ontario was paid editorially by The Financial Post in its last issue when it declared: "During the years he held cabinet office, Hon. Mr. Cross did a great deal to help Ontario municipalities help themselves. He also gave splendid direction and leadership in the fields of public welfare and municipal affairs. He was an administrator who brought strength and character to his public office."

Coming from a journal of The Post's high standing, such a tribute is praise indeed.

In view of the millions of dollars saved to municipalities, of the important programme of education conducted by the Department on behalf of municipal officials in many parts of the province, and of the financial difficulties of numerous municipalities ironed out by the Department, its importance to the Government of this province had been impressively proved.

Apart from the loss which the Ontario Government has sustained in the departure of Hon. Mr. Cross, the Premier's decision to merge the Department of Municipal Affairs with another would seem a decidedly retrograde move and one which will be felt keenly by many municipalities. The resultant saving in administration costs will not begin to compensate for the disappearance of a service which had proved of inestimable value to Ontario.

• • •

The Mail-box

Stimulate Export Sales

Editor, The Financial Post:

I have greatly welcomed the efforts made by your paper to stimulate interest among Canadian producers and exporters in the upkeep and development of various markets for our Canadian products.

While there is a meeting of shipping representatives from countries and organizations all over the Western Hemisphere, not to mention the various Government Missions and other negotiators who are at present in Washington, I feel this is an appropriate opportunity for drawing the attention of the public as well as of our Government, to the necessity for our country to be adequately represented. We should see to it that experienced and qualified persons are going to represent the Dominion of Canada at the various negotiations, Pan American Union consultations, Western Hemisphere Shipping Conferences, bankers' meetings, whether they be in Washington, Madrid, London or Buenos Aires. We would be well advised to take stock of all bonds and securities (especially foreign issues) belonging to or at the disposal of Canadians so that we may know exactly the importance of our bargaining power at the forthcoming negotiations. We should take advantage of the trend toward state organizing and build up our export trade and financial agencies on the lines of the Export Council in the United Kingdom and the Import and Export Bank in the United States. We may find it advantageous to enlarge the functions of our Trade commissioners somewhat on the lines of the training agencies now instituted by the United Kingdom or the Soviet Union. We will do well to make our existence as soldiers and as suppliers of a magnificent arsenal known and felt so that the sad experiences of the depression between the last war and the present will not be repeated in Canada.

J. CARTON,

Montreal.

• • •

Installment Selling

Editor, The Financial Post:

A contributor to this column in the Nov. 30 issue suggested that installment selling had no place in our present war economy and that it should be prohibited.

If we were to examine the causes of large-scale production and its attendant benefits, such as consistently better products at consistently lower prices which all go to make a better standard of living, it would be found that large-scale production has marched hand in hand with large-scale consumption, which, when boiled down to its essential ingredient, means to a large extent the availability and development of consumer credit.

Since consumer credit can only be used to buy permanent goods, which become an asset to the buyer, this represents the acquisition of durable essentials of modern life by individuals who, while not having the necessary capital to pay for the articles outright, can, nevertheless, by a quasi method of compulsory thrift, enjoy the use of the articles while paying for them out of current income.

In so far as installment buying being a contributory cause to the 1927-1929 boom and the subsequent depression reaching the depth it did, there are unfortunately no statistics available to approve or disapprove of this contention. However, when consideration is given to the fact that only about 10% of all retail sales are made on an installment basis, and expansion in installment debt was confined to narrow limits, it does not seem reasonable for installment selling to have had the drastic effect that pundits credited it with having.

We all realize that this is an "all-out war," but why stifle our national economy by eliminating one of the three links in our modern chain of credit, namely, investment, productive and consumer credit? Each of these three forms of credit play an important part in our modern system of exchange of commodities and services and the restriction of one of them would seriously hamper the effectiveness of the whole trio, which must work in unison more now than ever before.

W.T.M.

Montreal.

• • •

What the Papers Are Saying

Agricultural Policy

Winnipeg Tribune

Mr. Gardiner has given us his vision of the prospects for the next five years, but he has not given Canada an agricultural programme. His sketch shows that special measures will be needed to adapt Canada's agriculture to the requirements he foresees, but he gives no indication that such measures will be taken.

A comprehensive agricultural policy is already too long overdue at Ottawa.

• • •

Sayings of the Week

"No civilization is conquered except from within; no nation can be saved except by itself."—*Dr. Will Durant.*

• • •

"The Princesses will leave this country when I leave, and I will leave when the children's father leaves, and their father will not leave this country under any circumstances."—*Queen Elizabeth.*

• • •

"We must be undaunted, we must be inflexible, our qualities and deeds must burn and glow through the gloom of Europe until they become veritable beacons of its salvation."—*Prime Minister Churchill.*

• • •

"Perhaps in this new generation those in the east may come to realize we have a west worth preserving and those in the west may find there are some real people living in the east — even, possibly, in Toronto."—*James S. Duncan.*

• • •

"While I hope there will be no German victory, I feel confident of the security of the United States, even if there is such a victory."—*Robert E. Wood, chairman, Sears Roebuck and Co., organizer of the "Save America" Committee, and well-known isolationist.*

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

FLOYD S. CHALMERS, Editor.
DOUGLAS M. GOWDY, Business Manager.
Published by
The MacLean Publishing Co., Limited
481 University Avenue, Toronto 2
JOHN BAYNE MACLEAN, Founder and Chairman.
HORACE T. HUNTER, President.
H. VICTOR TYRRELL, Vice-President and Managing Director.

Subscription Terms: Single copies, 10 cents. Yearly, in Canada, United States, Mexico and British Empire, $5; all other countries, $6.

Advertising Rates: Single insertion $4.20 per inch. Contract terms upon request.

Montreal: Dominion Square Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.

London, England: Sun of Canada Bldg., 2, 3 and 4 Cockspur St., S.W.1.

Week in Business

Inflation Seen Question On Business Horizon

Hope Expressed That Existing Controls Will Prevent Any Extreme Movement — St. Lawrence Seaway is Again to Fore

Possibility of inflation is receiving considerable study among businessmen, who feel that their plans for the future depend to a large extent on the answer. Advances in prices and wages since the war started are not felt to be abnormal. But many are wondering just how far they will go.

Since August, 1939, the D. B. S. index of industrial material prices has risen 21%. The rise in the cost of living is estimated at approximately 7.3%. H. B. McKinnon, chairman of the Wartime Prices and Trade Board, comments that such an increase would have passed almost unnoticed in normal times. Between comparable months in 1935 and 1937, he added, the cost of living rose 8% "without any apparent disturbance to the public's peace of mind."

What businessmen fear is a sudden uprush in the price level once all workers are fully employed and competition for labor and materials becomes keener.

It is hoped the present controls that did not exist in 1914 to 1918, such as the Bank of Canada and the Wartime Prices and Trade Board, will be able to prevent extreme inflationary tendencies. The surplus of certain commodities such as wheat, it is felt, may also have some influence on the situation.

Inconvenience caused to business by existing controls has been accepted as part of the war effort. There is a feeling that the slogan, "business as usual," popular at the beginning of the war, is not suitable in a time of total war, when business cannot be as usual but must be "all out" for the war.

* * *

News that a new agreement is being prepared between Canada and the United States on the St. Lawrence-Great Lakes navigation and power project brings nearer the time when a start may be made on the work. This, coming while the war is on, will expedite the full employment of labor in both countries.

* * *

Rising wage costs are having definite effects on the agricultural industry, where prices for hog and dairy products have declined recently. Fear that farmers will liquidate their herds, and thus reduce the stream of essential food products, has been followed by a proposal to form a Farmers' Union in Ontario with the object of stabilizing prices.

* * *

A noticeable development in regard to employment is the increasing number of women in industry. Many women are finding work in munitions factories and are steadily replacing men leaving offices to join the armed forces. This broadening of the employment field for women is likely to have pronounced reactions after the war. Women are likely to be in the market for office and factory jobs even more than they were after the last war.

* * *

Meanwhile business in all lines is proceeding at a satisfactory pace. Retail stores are featuring stock reducing sales with favorable results. Demand for building materials is well maintained. Scarcity of men is being felt increasingly in building and steel working trades.

Business Indicators

Current business continues active with D.B.S. weekly index higher than in previous year, but pulled below previous week by lower carloadings and stock market activity.

Carloadings for week ended Dec. 28 above 1939, total for year up 10%.

Railway gross traffic earnings for third week of December well above 1939 level for both roads.

Automobile sales show small increase in November in number of passenger cars sold, truck sales down slightly.

Construction contracts awarded in December almost 80% above previous year. Total for 1940 up 85%.

Bank debits for November and first 11 months of 1940 higher than in 1939.

Bond sales in Canada in December more than four times volume of previous year.

Trend of business shown by The Financial Post Business Index and following key factors new items for the week being marked thus. ■

TREND OF BUSINESS—	Dec. 28	Dec. 21	Dec. 14	Dec. 6	Dec. 30/39
Weekly index of business, D.B.S.	107.3	109.6	108.7	107.2	105.2
Commodity prices index no.	84.2	84.2	84.3	84.1	82.2
	Nov.	Oct.	Sept.	Aug.	Year Ago
■The Financial Post business index	°153.4	151.7	147.4	142.9	129.0
Retail sales index no.	....	93.7	91.0	93.6	86.9
Dept. stores sales index no.	97.6	92.4	89.2	89.1	81.8
■Wholesale sales index no.	122.8	133.8	124.2	115.1	107.8
■Country store (% change pr. yr.)	+15.4	+3.6	—10.7	+9.8	—2.1
EMPLOYMENT Index Nos., D.B.S.	Nov 1	Oct. 1	Sept. 1	Aug. 1	Year Ago
All industries	139.2	136.2	131.6	127.9	123.6
Manufacturing	144.6	143.8	138.4	134.4	122.1
Wage earners. no. 000's	....	....	2,805	2,709	2,506
Living costs weekly budget	$18.14	$17.87	$17.82	$17.90	$17.77
			Jan. 1 to date		%
RAILWAYS—	1940	1939	1940	1939	Change
■Carloadings (week Dec. 28)	40,338	36,866	2,812,587	2,549,449	+10.3
■C.N.R. gross (week Dec. 31) $	7,544,463	5,480,606	247,355,541	203,643,339	+21.4
■C.P.R. gross (week Dec. 31) $	4,980,000	4,241,000	170,965,000	151,280,000	+13.0
C.N.R. net revenue (Nov.) $	5,524,224	4,974,604	38,733,861	17,080,805	+126.7
C.P.R. net revenue (Nov.) $	5,072,617	5,592,275	30.833,231	24,141,850	+27.7
IRON AND STEEL—Nov.—					
Pig iron production (tons)	109,576	87,822	1,058,417	661,562	+60.0
Steel ingots and castings prod. (tons)	176,113	147,182	1,825,752	1,234,765	+48.0
AUTOMOBILES—(Number)—					
Passenger Cars:					
■Domestic sales* .. (Nov.)	7,622	7,613	92,992	82,250	+13.1
Factory output .. (Nov.)	10,814	9,882	98,473	97,315	+1.2
Trucks and Buses:					
■Domestic sales* .. (Nov.)	1,525	1,601	27,005	22,653	+19.2
Factory output .. (Nov.)	12,807	6,874	101,147	41,023	+146.6
Financing:					
Used (Nov.) $	2,931,998	2,397,918	39,035,790	32,725,275	+19.3
New (Nov.) $	2,538,480	1,908,245	30,766,203	25,742,344	+19.5
CONSTRUCTION—					
■Contracts awarded . (Dec.) $	16,918,300	9,429,200	346,009,800	187,178,500	+84.8
Cement prod., bbls. (Sept.)	909,000	852,000	5,528,804	4,424,691	+24.9
AGRICULTURE—					
Flour prod., bbls. .. (Oct.)	1,872,514	2,089,562	13,590,455	13,326,579	+1.9
Flour exp., bbls. .. (Nov.)	682,718	572,810	6,625,291	4,439,458	+49.2
Wheat exp.. bush. .. (Oct.)	9,658,887	16,848,847	110,129,700	107,856,939	+2.1
Cattle sales▲ (Nov.)	123,596	108,983	1,062,519	1,009,833	+5.2.
Hog sales▲ (Nov.)	654,218	443,398	4,766,632	3,268,256	+45.8
SEA FISHERIES—‡					
Catch cwts. (Nov.)	898,400	735,100	10,348,650	9,133,850	+13.3
Landed value (Nov.)	892,800	777,400	16,843,800	15,884,050	+6.0
NEWSPRINT—					
Production, tons ... (Nov.)	282,344	288,726	3,165,906	2,628,610	+20.4
Exports, tons (Nov.)	276,586	253,997	2,979,336	2,403,432	+23.9
MINING AND OILS—					
Coal prod., tons ... (Oct.)	1,708,278	1,798,634	13,965,293	12,465,993	+12.0
Coal imports, tons .. (Oct.)	1,594,611	1,949,633	15,244,073	10,779,316	+41.7
Gold prod., fine oz. (Sept.)	440,450	422,392	3,935,341	3,801,760	+3.5
Crude oil prod., bbl. (Sept.)	841,752	720,866	6,268,565	5,787,117	+8.3
Crude oil imp., bbl. (Oct.)	5,102,000	4,745,900	35,402,970	31,400,500	+12.7
ELECTRIC POWER OUTPUT—(November)—					
Total monthly, 1,000 kw.h.'s	2,524,860	2,601,530	27,495,907	25,815,272	+6.5
FOREIGN TRADE—♦					
Imports (Oct.)	108,644,852	79,053,266	877,364,556	594,384,985	+47.6
Exports (Nov.)	118,408,587	98,490,366	1,094,511,368	833,948,985	+31.2
OTHER INDUSTRIAL FACTORS—					
Dressed lumber exp.: 1,000 bd. ft. (Nov.)	231,532	138,924	2,261,389	1,962,894	+15.2
Shoes, prod., pr .. (Oct.)	2,531,659	2,701,694	21,985,976	20,606,901	+6.7
Cotton consump., lb. (Nov.)	16,236,976	15,978,183	175,113,097	114,839,736	+52.5
Raw rubber imp., lb. (Oct.)	18,056,804	11,877,283	86,140,318	60,631,009	+42.0
Cigarette cons. No.† (Nov.)	686,868	632,938	6,997,004	6,613,812	+5.8
Sugar manufactured .. lb.§	174,045,529	146,317,261	886,565,423	809,120,369	+9.5
FINANCE—					
■Bank debits† (Nov) $	3,049,322	2,930,346	31,229,127	28,560,485	+9.3
■Bond sales† (Dec.)	326,704	72,719	2,277,999	1,441,751	+58.1
Life insurance sales (Nov.)	32,899,000	33,034,000	331,490,000	333,967,000	—0.74

*D.B.S. All Canada figure covering over 90% of the Canadian total.
†000's omitted. §For four weeks to Nov. 2, 1940. ♦Gold excluded.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. °Final.
▲Total at yards and plants.
New items for week marked ■

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Rail Earnings Best Since '30

1940 Combined Gross 14% Over 1939—28% Over 1938

From Our Own Correspondent

MONTREAL. — Combined gross operating earnings of Canadian National Railways and Canadian Pacific Railway Co. totalled $415 millions in the past year, the highest level reached since 1930. Gross earnings increased in the year by $60 millions, or 14.1% over 1939. Compared with 1938 combined earnings were up $90.5 millions, or 28.1%.

Canadian Pacific Railway gross income for 1940 totalled $171 millions, or about 13% above the 1939 total and 20% greater than that for 1938.

C. N. R. Gains 19%

C. N. R. gross earnings of $244 millions exceeded the 1939 figure by $40.2 millions, or 29.2%, and exceeded figure for 1938 of $182,2 millions by 33.9%.

The following tabulation shows combined rail earnings from 1929 to 1940:

1940	$415,000,000	1934	$290,500,000
1939	355,000,000	1933	264,000,000
1938	324,500,000	1932	285,000,000
1937	343,500,000	1931	348,500,000
1936	325,000,000	1930	441,000,000
1935	303,000,000	1929	522,500,000

C. P. R. Express Traffic In Greater Volume

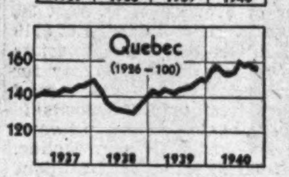
From Our Own Correspondent

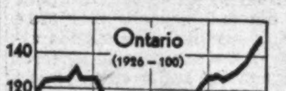
MONTREAL. — Canadian Pacific Railway's handling of express traffic in Canada was heavier in December than in the same month a year ago. For the first three weeks, an increase of 20% was recorded, the upturn being general in all parts of the Dominion.

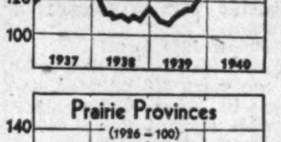
Business Level Higher In All Economic Areas

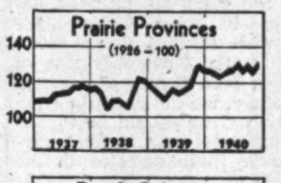
Business in all economic areas in Canada in November, 1940, was on a higher level than in November, 1939, The Financial Post Regional Business Indices show. The prosperity of 1929 was exceeded in all sections except the prairies. The business activity of British Columbia has shown almost uninterrupted advance during the last eight years.

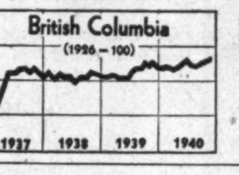
Compared with the previous month, the indices were higher for all areas except Quebec. The decline there was slight.











Trend of Business in Economic Areas

	Nov. 1940	Change from '39 %	Oct. 1940
Maritimes			
Constr. contr. $	2,754,000	+290.6	2,326,000
Bldg. permits $	912,000	+546.8	413,000
Life ins. sales $000	2,606	—17.2	2,418
Bank debits $000,000	78.5	+18.6	77.3
Elec. pwr. kw.h. 000	82,434	—2.4	72,671
Employment*	133.2	+8.3	133.8
Index	150.9	+12.7	145.9
Quebec			
Constr. contr. $	7,006,000	+108.0	8,637,000
Bldg. permits $	3,053,000	+139.1	2,505,000
Life ins. sales $000	9,535	+19.7	8,618
Bank debits $000,000	824	+2.1	918
Elec. pwr. kw.h.	963,697	—10.8	984,374
Employment*	149.7	+14.9	148.7
Cotton consump. lb.	16,236,970	+1.6	16,662,648
Newsprint prod. tons	282,344	—2.2	309,957
Index	158.2	+4.8	159.0
Ontario			
Constr. contr. $	33,009,000	+494.7	8,171,000
Bldg. permits $	5,841,000	+196.2	6,474,000
Life ins. sales $000	14,167	—9.2	14,084
Bank debits $000,000	1,427	+17.2	1,716
Elec. pwr. kw.h. 000	906,968	—0.8	895,602
Employment*	142.7	+14.6	142.5
Livest'k. slaughterings*	230.4	+32.3	227.3
Steel prod. tons	176,113	+19.7	185,091
Auto. prod. no.	23,621	+41.0	21,151
Index	152.0	+19.6	147.9
Prairie Provinces			
Constr. contr. $	11,850,000	+42.1	5,218,000
Bldg. permits $	315,000	—22.8	2,210,000
Life ins. sales $000	3,951	—35.8	3,859
Bank debits $000,000	544	—18.6	612
Elec. pwr. kw.h. 000	201,815	+2.7	182,968
Employment*	118.8	+9.1	119.7
Wheat receipts bu.	37,727,000	+2.9	69,261,000
Wheat prices**	71.6	+1.8	70.3
Index	132.5	+1.5	127.9
British Columbia			
Constr. contr. $	365,000	—68.5	2,009,000
Bldg. permits $	744,000	+91.3	862,000
Life ins. sales $000	2,247	—20.7	1,984
Bank debits $000,000	175.6	+2.6	203.2
Elec. pwr. kw.h. 000	184,454	+8.2	182,936
Employment*	123.6	+12.4	126.3
Index	134.4	+2.7	133.6

*1926=100.
**Cents and eighths of a cent per bushel.

Keeping Posted . . .

By J. C. KIRKWOOD

In this queer world of ours there is a class of persons who are called "napkin snatchers." They may describe themselves as souvenir hunters, but to hotel and restaurant managers they are just petty thieves, ready to snitch silverware, napkins, glassware, towels, ash trays, coat-hangers, and other things of temptation which can be carried away without much risk of detection. P. Kirby Hunt, manager, the King Edward Hotel, Toronto, figures that at banquets a hotel has to count on a 5% loss in napkins. The best theft preventive against napkin snatching is, in the opinion of the housekeeper of the Royal York Hotel, Toronto, to have the hotel name and monogram right in the centre of the napkin, and in the case of towels to have the hotel name extending through the centre from end to end. When room help report missing articles immediately—towels, bed coverings or other items—it is sometimes possible to bill the room occupants for them. The full story is covered in the current issue of Canadian Hotel Review.

JOHN C. KIRKWOOD

* * *

Shall I Marry?

Shall I marry—or train for a career? This question opens an entertaining—and much more than merely entertaining — article in the January issue of Chatelaine, by Mrs. M. L. Young. "Marriage," declares Mrs. Young, "is not a gamble—not a game of chance, but is like hockey or baseball, for you must learn to play, and the zest or skill with which you play determines whether you win or lose," and she proceeds to tell, rather minutely, how she has made marriage pay her large dividends—"a richness of living that is better return than I could find anywhere else for the investment of my life's work and interest."

Chatelaine is offering cash prizes for letters which are an answer to these questions: "Do you think that Mrs. Young's viewpoint is right? What are the hazards, if any, which you see in marriage? Have you any better suggestions to make?"

* * *

Creditors Grow Inquisitive

Credit givers are becoming more inquisitive — as they should. A pamphlet describing minimum requirements for credit purposes has been issued by a credit organization. These requirements include that cash be confirmed by direct communication with the client's bank; that accounts receivable be analyzed as to age in order to determine collectibility; that the taking of physical inventory be supervised by the accountant, and that test checks be made of unit prices, age and condition of stock. Some of this recommended procedure grew out of the McKesson & Robbins case.

* * *

Customers First

Who comes first in the interest of the directors and management of a business enterprise — the customer, the employees, the stockholder? That depends on the business. According to the chief executive of a large mail-order chain store which has built a retail store volume in 15 years from zero to $450 millions, the customer comes first. This president, as quoted in the General Merchant of Canada, states "that the customer comes first, the employee second, and the stockholder last. If the first two are properly taken care of, the stockholder benefits in the long run. No large business can permanently prosper unless it satisfies its customers and treats its employees fairly and liberally."

* * *

Dollar-a-copy

Those good old days—were they really so good as legend pictures them? In the 60's of last century subscribers to the Caribou Sentinel, a British Columbia weekly newspaper, paid at the rate of $1 a copy —$52 a year—for it, and it had a circulation extending, in area, from the Mackenzie River to the Atlantic seaboard. I get this bit of information from Canadian Printer and Publisher, and it quotes, as its authority, B. L. Martin, guest speaker at a recent meeting of the Winnipeg Club of Printing House Craftsmen. Manitoba's first newspaper was "The Nor'West Courier," born in 1859.

* * *

Robt. W. Service Returns

Robert W. Service is not among the forgotten men — this notwithstanding the fact that it is quite 40 years ago when he splashed into worldwide fame with his books, "Trail of '98" and "Songs of a Sourdough." Ever since his verses of the Klondike have been publicly and privately recited, and he himself has continued to capture the newspapers' attention, if not the attention of the general public. Now he brings himself back to the public's notice —after his return to Canada, from many years abroad. He is, in a sense, a returned refugee, and in Maclean's Magazine for January 15 he becomes recollective or autobiographical, and his contribution, "So I Have a Mild Face!" is bound to be read greedily by all us oldsters and by the newer generations who have heard recited by blind beggars, platform and parlor elocutionists, and music hall entertainers, the stirring ballads, "The Shooting of Dan McGrew," "The Law of the Yukon," and others from "The Rhymes of a Rolling Stone."

Service has been called "the Kipling of the Yukon." His "Songs of a Sourdough" had sales of over a million copies, and made Service rich. Be sure to read his own story in Maclean's. It's a thriller.

* * *

Elgin—soft g?

"Elgin"—how do you pronounce it, when it means a watch, a county in Ontario, the name of a former governor-general of Canada, a county in Scotland, the new hotel, 'The Lord Elgin," to be erected in Ottawa? About the hotel: a writer in the Ottawa Journal says that the "g" will be soft, as in "gin." The Americans like the soft "g," so the right way to say the make of your watch, if it be an Elgin, is to use the soft "g." But the St. Thomas Times-Journal, in its discussion of the way to pronounce "Elgin," has not told us the right way to say "Elgin" when applied to Elgin County, in Ontario. It tells of the reply made to an American who contended that all words ending in "gin," should make the "g" soft. Said Dr. J. H. Coyne to the writer, "Oh, when did that begin?"

BUSINESS MACHINES

International
Electric Accounting Machines
The Punched Card Accounting Method
for
Payroll Preparation and Pay Cheque Writing; Labour and Material Distribution; Inventory and Budgetary Control; Sales and Market Analysis; Billing; Accounts Receivable; Accounts Payable; Document Writing.

International
Electric Time Recorders
and Systems
for
Labour Time Records; Job Time Records; Document Timing; Watchman Control; Uniform Time Indication; Time Schedule Control and Time Signalling.

International
All-Electric Writing Machines
for
Speedier and Superior General Correspondence.
Multiple Copies (up to 20 copies at a single typing).
Billing, Shop Orders, and other multiple copy Documents.
Stencil cutting for better production from dry or wet stencils.
Eliminating fatigue and increasing typists' output.

BUSINESS INTERNATIONAL MACHINES

INTERNATIONAL BUSINESS MACHINES CO., LIMITED
Head Office: 36 King St. East, Toronto: AD.6344
Factory: West Toronto
BRANCHES IN PRINCIPAL CITIES

Marketing Experts To Give Lectures

Under Joint Auspices of University and Advertising Men

A course of 10 lectures on problems of selling and sales promotion has been arranged by the Department of Political Economy of the University of Toronto. These lectures will be given at the economics building of the university and are offered in co-operation with the Advertising and Sales Club of Toronto.

The course has been planned for executives actually engaged in some phase of marketing, for those preparing to take such a position or for those in allied fields who wish to broaden their knowledge of marketing principles and practice. The course begins Jan. 14 and lectures are given weekly thereafter.

Speakers and their subjects are:

H. G. WEAVER, Director Customer Research Staff, General Motors Corp., Detroit—Using Customers' Ideas.

ROBERT F. CHISHOLM, Sales Manager, Gordon Mackay & Co., formerly with J. D. Woods & Co., Industrial Engineers—A New Trend in Merchandising.

ELMO ROPER, New York City, marketing consultant and director of the Fortune Surveys—Reading the Public Mind.

D. H. POLLITT, President Campbell Manufacturing Co.—Merchandising Policies for the Manufacturer.

CORNELIUS DUBOIS, director of research for Life Magazine—What Do People Read?

KENNETH W. TAYLOR, professor at McMaster University, secretary of the Wartime Prices and Trade Board—Wartime Control of Prices.

THEODORE H. BROWN, professor at Harvard Graduate School of Business Administration—Standards of Sales Performance.

PERCY K. HEYWOOD, general manager, Evangeline Shops, Ltd., and past president Advertising and Sales Club of Toronto—Tested Retail Selling Policies.

JOHN KAROL, marketing counsel, Columbia Broadcasting System—Measuring Radio Results.

SAMUEL B. STOCKING, of the Department of Political Economy, University of Toronto—The Value and Significance of Advertising.

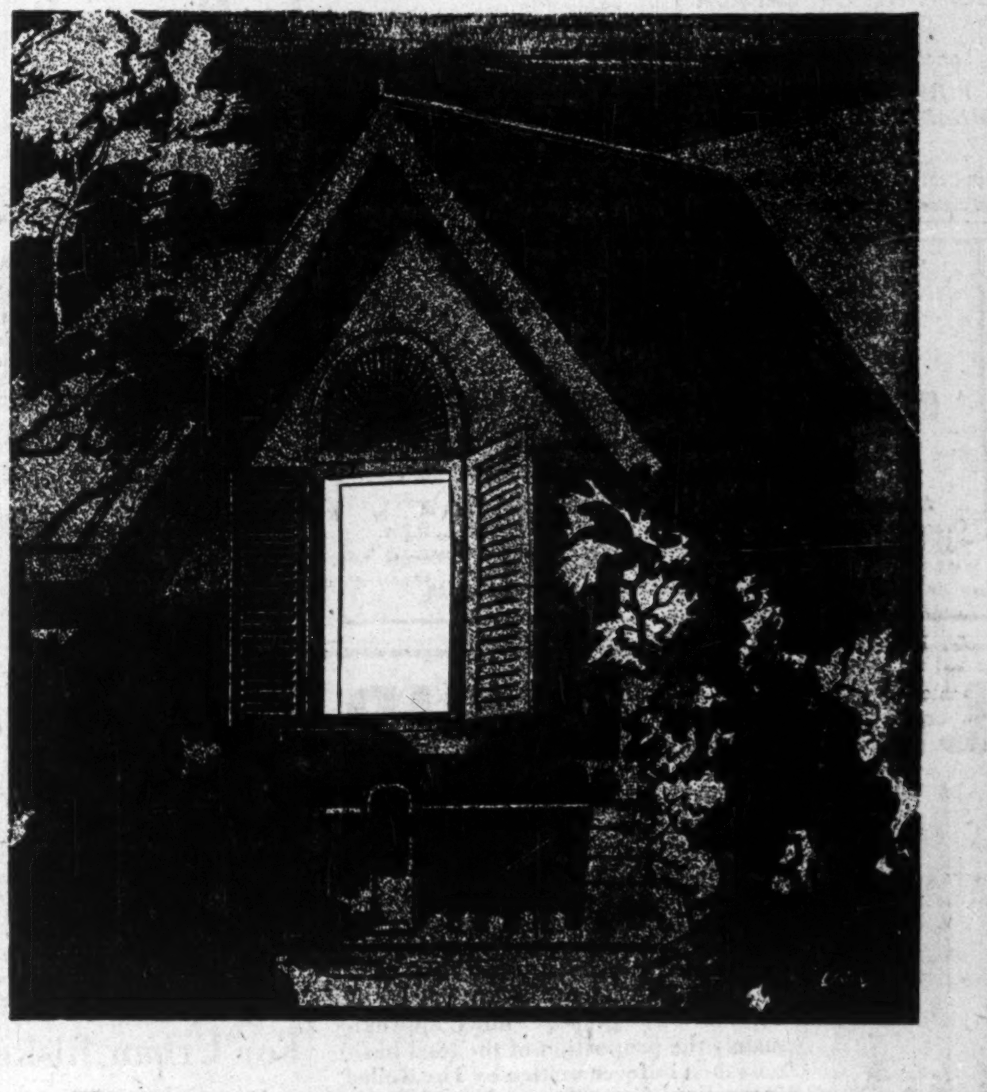
SUGGESTIONS FOR INVESTMENT

The personal requirements of the individual in investment matters constitute an important feature of our investment service. This service is available without obligation at any of our offices.

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria New York London, Eng.

Commenced Business 1906
MONARCH LIFE ASSURANCE COMPANY
A PROGRESSIVE CANADIAN COMPANY

THE STORY OF THE TELEPHONE



In an attic bedroom . . .

● On a July night in 1874, in a room under the eaves of an old house near Brantford, Ont., a young man sat at a table cluttered with crude, home-made apparatus. Into a shell-like receiver, roughly resembling a human ear, he alternately sang and shouted, concentrating always on vowel sounds—"E, Ah, A,". This went on hour after hour, night after night, until the young man succeeded in producing, on a piece of smoked glass, tracings caused by vibrations of the human voice! The young man's name was Alexander Graham Bell. Years later, he declared: "At that moment the telephone was born." Today, Bell's dream of continent-wide telephone communication is realized through the coast-to-coast circuits of the Trans-Canada Telephone System.

This is the first in a series of advertisements dealing with the development of Long Distance Telephone Service in Canada . . . and culminating in the opening of the Trans-Canada Telephone System in 1932.

TRANS-CANADA TELEPHONE SYSTEM
THE BELL TELEPHONE COMPANY OF CANADA

The
WAWANESA
Mutual Insurance Company

Assets Exceed ... $2,600,000.00
Surplus 1,330,363.89
Dominion Govt.
Deposit exceeds 1,000,000.00

Wawanesa ranks 1st against all Companies operating in Canada on Net Fire Premiums Written according to Dominion figures for 1939.

Head Office: Wawanesa, Man.
Eastern Office: Toronto, Ont.
Branches at Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal and Moncton
2,000 Agents Across Canada

THE LONDON & LANCASHIRE INSURANCE CO. LTD.
ABSOLUTE SECURITY
W. R. HOUGHTON
Manager

FIDELITY
Insurance Company
of Canada
TORONTO

HOME
ASSURANCE
COMPANY OF CANADA
Head Office:
Lancaster Bldg., Calgary
FIRE, AUTOMOBILE, HEALTH & ACCIDENT INSURANCE
Application for Agencies Invited.

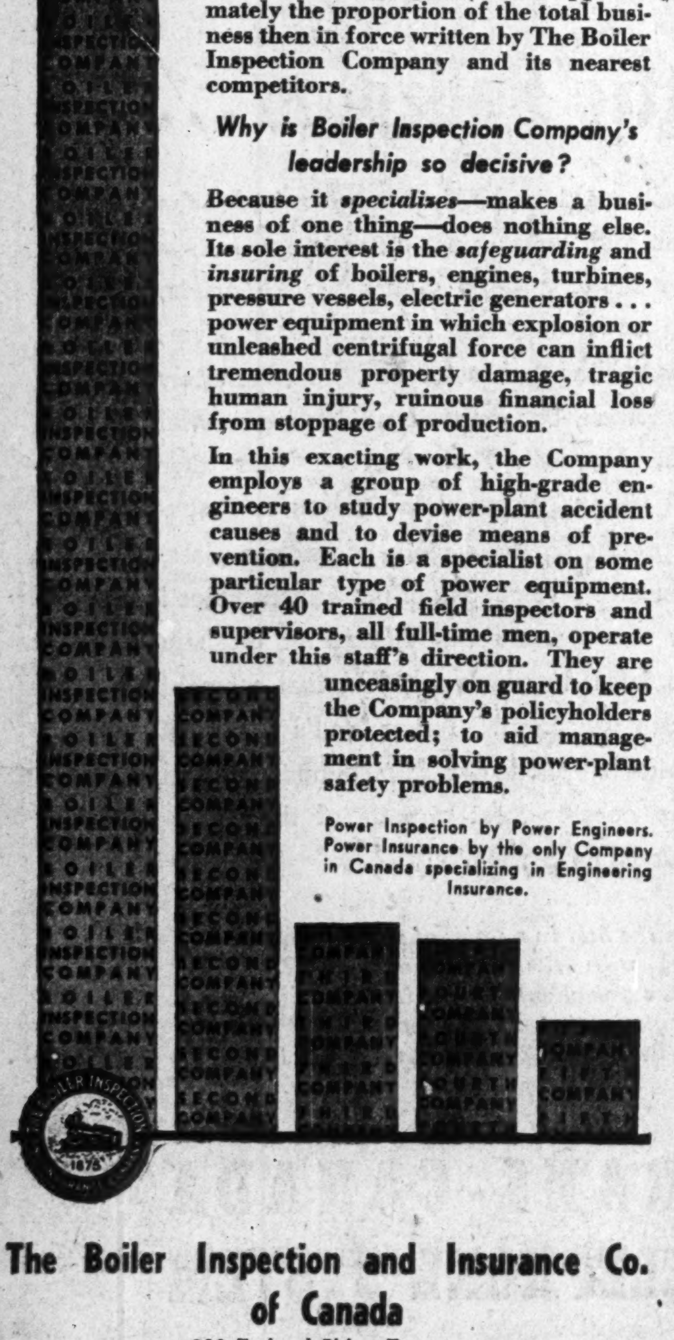
Banking Service
1817-1940
BANK of NEW SOUTH WALES
Head Office: Sydney, Australia
General Manager: SIR ALFRED DAVIDSON, K.B.E.

Assets of £130 millions.
Over 900 branches in Australia, New Zealand & Pacific Islands.

London Offices at
29 Threadneedle St., E.C.2.
and at 47 Berkeley Square, W.1.

Agency arrangements with Banks throughout Canada.

LEADERSHIP



Because of outstanding service to Industry for 65 years, The Boiler Inspection Company has been accorded such a preponderant portion of Canada's power equipment insurance that it is the undoubted leader in that important line. Based on the last official returns of boiler and machinery insurance filed with the Insurance Department at Ottawa, the "graph" shows approximately the proportion of the total business then in force written by The Boiler Inspection Company and its nearest competitors.

Why is Boiler Inspection Company's leadership so decisive?

Because it *specializes*—makes a business of one thing—does nothing else. Its sole interest is the *safeguarding* and *insuring* of boilers, engines, turbines, pressure vessels, electric generators . . . power equipment in which explosion or unleashed centrifugal force can inflict tremendous property damage, tragic human injury, ruinous financial loss from stoppage of production.

In this exacting work, the Company employs a group of high-grade engineers to study power-plant accident causes and to devise means of prevention. Each is a specialist on some particular type of power equipment. Over 40 trained field inspectors and supervisors, all full-time men, operate under this staff's direction. They are unceasingly on guard to keep the Company's policyholders protected; to aid management in solving power-plant safety problems.

Power Inspection by Power Engineers. Power Insurance by the only Company in Canada specializing in Engineering Insurance.

The Boiler Inspection and Insurance Co. of Canada
908 Federal Bldg., Toronto
806 The Bank of Nova Scotia Bldg., Montreal
203 Curry Bldg., Winnipeg

Life Insurance

Life Companies Urge Policy Conservation

Prevention of Lapses Helps Maintain Total Volume in Force — Reinstatement Terms Usually Liberal if Insured in Good Health

According to preliminary estimates, while sales of new life insurance in Canada in 1940 were slightly under those for the previous year, the total amount of life insurance in force on Dec. 31 was slightly higher than at the end of 1939.

This is attributed to success in keeping existing policies in force by preventing lapses and discouraging surrenders. Reinstatements or revivals have also been an important element.

The companies generally lay more emphasis on prevention of lapses than on reinstating policies that have lapsed. But these reinstatements or revivals are an important factor. For instance, in 1939, the last year for which figures are available, while new insurance effected totalled $600 millions, revivals or reinstatements were over $28 millions.

Allowed by Law

According to the Uniform Insurance Act a policy which has lapsed through non-payment of premiums may be reinstated up to two years after the date of lapse, provided the policyholder can give satisfactory evidence of his insurability and payment of all overdue premiums.

But the companies are generally more liberal than the law requires in such matters.

For instance in one policy before the writer, a term of three years is mentioned within which application may be made for reinstatement.

The present is considered by some underwriters a good time to campaign among their policyholders for the reinstatement of policies which have lapsed. These lapses have occurred usually when the policyholder was hard up. He has neglected or been unable to pay his premiums and while the automatic premium loan privilege in the policy, as required by law, carries the policy along in force as long as there is any reserve left, eventually it lapses. Many of these policies which lapsed in recent months or even years can undoubtedly be reinstated if application is made promptly.

Under war conditions the buying power of many people in the country is higher than it was. Many people who have been out of a job or hard up have got on their feet again in recent weeks and have some money to spend. Some of this is evidently being used to revive policies.

If, however, these policies have been lapsed for over a certain minimum period established by the company, they can be reinstated now only by including the war clause, just as it would be added to a new policy contract.

With most companies the period of grace within which a policy may be reinstated after lapse, without any change in the contract, is 30 days. The policyholder must be in good health, of course.

But if more than 30 days have elapsed, war clauses may be added and other changes made.

While companies are reinstating policies at all times they have in recent months been putting greatest emphasis on conserving the insurance now in force. This, they point out, relieves the insured of proving he is insurable and also prevents any change being made in the original contract.

Fire & Casualty Insurance

War Coverage In Demand

Convoy Attacks in Atlantic Increase Sales at Eastern ports

Demand for war risk insurance in property is reported to be increasing in eastern Canadian ports.

The coverage wanted is mainly against bombardment and air raids. Attacks on convoys between Newfoundland and Great Britain have stimulated the demand materially. Applications are stated to have been received from industrial plants, hotels, theatres, banks, warehouses, etc.

It appears that the desire for protection against enemy operations is greater than that for protection against sabotage.

Shortly after the war opened two contracts were made available giving protection against war hazards. One was the Open Hostilities or Bombardment Policy which insures against loss due to open enemy operations. The other gives protection against malicious damage and is written not as a separate policy but as an endorsement to a fire or riot and civil commotion policy.

The country has been divided into two territories for rating purposes, these territories being distinguished by the variation in possibility of attack. Territory A, for instance, includes the Atlantic Coast area as far west as Quebec City and the coastal regions of British Columbia. Territory B includes the rest of Canada.

Replacement Plan For Urban Risks

Wawanesa Mutual Extends New Clause to Mercantile Risks

The Wawanesa Mutual Insurance Co. is extending to fire insurance policies on urban mercantile risks the clause requiring a policyholder to replace a burned building if he is to receive the full value of his policy.

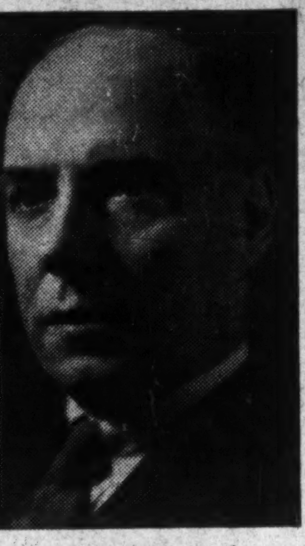
Some years ago the company initiated a new system of making replacement of a farm building destroyed by fire an essential condition to the payment of the insurance money. This system, the company reports, has had very satisfactory results in cutting farm fire losses. It is believed the same results will be experienced in the mercantile field. Policyholders buying insurance on these terms are asked to insert the condition in their applications. The company has been writing mercantile risks on this plan for some months but only recently has been pushing it strongly.

Becomes President Of Beaver Fire

Colin E. Sword, manager for Canada of the Union Insurance Society of Canton group, has been elected president of the Beaver Fire Insurance Co. of Winnipeg, succeeding the late George W. Allan.

Mr. Sword came to Canada from England in 1906 to take an executive position with the London & Lancashire Insurance Co. at Quebec, having been for some years previous in the Liverpool office of that company. In 1914 he was transferred to Montreal, becoming manager for Eastern Canada. In 1924 he joined the Union of Canton, becoming manager of the group, which includes besides the Beaver, the South British, the British Oak, British Traders and China Fire insurance companies.

Mr. Sword has always been active in insurance association and institute work. He has been president of the Canadian Fire Underwriters Association, now merged with the Canadian Underwriters Association, the Dominion Board of Fire Underwriters and the Insurance Institute of Toronto.



SENIOR PARTNER

Guy E. Leslie, senior partner in the new stock brokerage firm of G. E. Leslie & Co. The new firm has taken over the business formerly conducted by Johnston & Ward.

IncreaseShown In Bank Debits

Larger Transfers of Money Indicated in Four Economic Areas

Expenditures by Canadians in November as indicated by the cheques cashed at the chartered banks were $119 millions over the previous year, a gain of 4%.

These bank debits were larger in all five economic areas except the prairies which declined by about 18%. The gains in the other areas were: Maritimes, 18%; Quebec, 2%; Ontario, 17%; British Columbia, 3%.

Debits in the first 11 months of 1940 were $31.2 billions compared with $28.5 billions in 1939, an increase of 9.3%. Gains were recorded in all five economic areas as follows: Maritimes, 23%; Quebec, 1%; Ontario, 13%; Prairies, 16% and British Columbia, 6%.

Compared with October a contra-seasonal decline of 14% was shown.

One reason for this recession was the bad weather in November which tied up traffic in city and country districts.

Figures for the 32 clearing house centres for November with comparisons with the previous month and last year follow:

DEBITS TO INDIVIDUAL ACCOUNTS
(Millions of dollars)

	Nov. 1940 $	Oct. 1940 $	Nov. 1939 $
Maritimes:			
Halifax	48.1	42.1	38.8
Moncton	11.9	12.8	10.0
Saint John	18.4	22.4	17.3
Total	78.5	77.3	66.2
Quebec:			
Montreal	725.4	779.6	728.6
Quebec	89.6	128.3	70.2
herbrooke	8.9	9.7	8.5
Total	823.9	917.7	807.4
Ontario:			
Brantford	12.6	14.3	9.7
Chatham	10.7	10.3	9.4
Fort William	7.1	8.1	6.9
Hamilton	76.4	78.8	64.6
Kingston	7.7	10.3	6.2
Kitchener	14.6	16.5	14.5
London	36.9	50.7	32.5
Ottawa	247.6	303.9	171.4
Peterborough	7.2	8.6	6.1
Sarnia	6.6	8.0	6.3
Sudbury	7.5	8.4	7.9
Toronto	939.1	1,141.3	847.4
Windsor	52.7	56.7	34.5
Total	1,426.8	1,716.3	1,217.5
Prairies:			
Brandon	4.2	5.2	3.2
Calgary	73.5	81.5	73.7
Edmonton	53.3	58.3	45.0
Lethbridge	5.7	5.9	5.8
Medicine Hat	3.8	4.3	2.9
Moose Jaw	8.7	9.4	10.3
Prince Albert	3.2	3.7	3.1
Regina	50.3	73.1	54.9
Saskatoon	13.6	16.5	13.9
Winnipeg	327.9	353.9	455.4
Total	544.3	612.1	668.0
British Columbia:			
New Westminster	7.7	9.6	6.7
Vancouver	138.9	159.4	139.0
Victoria	28.9	34.1	25.5
Total	175.6	203.2	171.2
Total for Canada	3,049.3	3,526.6	2,930.3

Weekly Bank Clearings

	Jan. 2 1940 $	Change Year Ago %	Dec. 26 1940 $
Halifax	2,721,514	—20.6	2,615,085
Saint John	1,945,888	—7.7	1,698,613
Moncton	972,698	+8.4	814,015
Sherbrooke	943,653	—5.0	594,544
Quebec	4,568,827	—13.5	3,747,359
Montreal	116,946,701	+1.5	89,159,324
Ottawa	43,959,127	+103.6	19,056,430
Kingston	721,760	+12.2	496,140
Peterborough	590,184	—16.3	670,345
Toronto	118,983,676	—10.1	96,995,276
Hamilton	6,086,261	—3.0	5,604,699
Kitchener	1,389,338	+2.9	965,641
Brantford	1,227,896	+51.9	750,049
London	2,842,070	—19.7	2,761,970
Chatham	679,138	—0.7	610,198
Windsor	4,476,030	+24.7	2,767,923
Sarnia	440,051	—10.1	444,776
Sudbury	1,346,454	+22.8	765,813
Fort William	976,511	+18.0	719,352
Winnipeg	43,211,706	—12.2	33,495,231
Brandon	419,177	+12.8	277,319
Regina	4,802,087	+10.9	3,400,713
Moose Jaw	646,767	—4.0	476,139
Saskatoon	1,566,203	—11.4	1,033,640
Prince Albert	413,022	+12.8	294,789
Edmonton	5,158,130	+7.1	3,527,851
Lethbridge	545,411	+9.8	467,738
Medicine Hat	324,242	+18.1	284,058
N. W'minster	767,983	+12.9	655,760
Vancouver	18,847,634	+3.7	15,311,429
Victoria	1,743,062	—0.5	2,252,278
Calgary	5,249,558	+18.2	5,345,424

Yearly Bank Clearings

	1940 $	1939 $
Halifax	162,177,604	130,899,207
Saint John	109,414,986	92,751,127
Moncton	109,414,986	38,648,686
Sherbrooke	42,683,523	36,637,764
Quebec	260,549,649	245,139,004
Montreal	5,227,824,609	5,306,897,388
Ottawa	1,646,954,058	1,041,873,213
Kingston	32,927,159	29,484,373
Peterborough	31,278,818	30,242,390
Toronto	5,680,786,868	5,735,792,413
Hamilton	301,380,569	267,956,422
Kitchener	58,598,321	53,778,980
Brantford	48,584,907	44,722,995
London	137,393,049	127,963,282
Chatham	32,335,738	30,139,377
Sarnia	22,990,528	23,514,866
Windsor	154,023,629	137,314,911
Ft. William	41,175,118	34,157,614
Winnipeg	2,451,440,992	2,379,667,846
Brandon	18,197,284	16,972,436
Moose Jaw	31,483,325	31,805,492
Saskatoon	74,327,851	69,199,123
Edmonton	217,964,792	201,977,802
Lethbridge	25,420,880	26,996,736
Medicine Hat	14,101,394	12,903,438
N. W'minster	36,559,100	33,076,133
Vancouver	908,569,780	888,885,944
Victoria	93,191,417	89,386,862
Calgary	289,115,103	279,563,913

P. E. Letourneau Heads New Investment House

From Our Own Correspondent

MONTREAL. — Paul E. Letourneau is head of the newly organized investment house of P. E. Letourneau Inc. Mr. Letourneau was formerly vice-president and director of Credit Anglo-Français Ltée, prior to which he was director of Hanson Bros.

Banking

Bank Deposits Higher As Earnings Rise

Recover 40% of Decline Due to Payments on the Second War Loan — Commercial Loans Show Seasonal Decline

Increased earnings of the Canadian people are being deposited in the banks where they will be available for war financing, the monthly return of the chartered banks to the Minister of Finance as at Nov. 30, 1940, reveals. After a decline of $118 millions in October, when investors withdrew their deposits to pay for their subscriptions to the second war loan, total public deposits in November again swung upward, gaining 40% of the October decline. Of this total increase, $21.2 millions was in demand deposits and $26.4 millions in savings. The rise is attributed to the increase in general business and the fuller employment of the people with accompanying larger income.

Below 1939 Level

Compared with Nov. 30, 1939, total deposits are down $12 millions, demand deposits being $96.7 millions higher, with savings down $108.9 millions. If the November rate of increase in both classes of deposits is maintained, the net decrease from the previous year should be turned into a substantial gain, as fresh savings replace those invested in the war loans.

Dominion Government deposits were $80.7 millions lower on the month and $55.3 millions down on the year. This evidently reflects government war expenditure. Deposits of the provincial governments, on the other hand, were up $13 millions over October and $16.5 millions over Nov., 1939. Foreign deposits with the Canadian banks were lower in both comparisons.

A small decline in current loans in Canada was shown. Current loans normally decline in November and December when business concerns reduce their borrowings to enable them to show a better liquid position. The decrease this year was less than seasonal. Call loans in Canada, on the other hand, were slightly higher than in October but still below those of the previous year.

Provincial Loans Lower

Loans to the provinces and municipalities were lower both than in the previous month and in 1939.

With total deposits in Canada increasing more rapidly than total loans, The Financial Post Business Index, which is the ratio of current and call loans to demand and savings deposits, decreased 0.9% from October, but gained 1.5% over Nov., 1939.

Use of Bank Credit in Canada
(In Millions of Dollars)

	November 1940 $	October 1940 $	Change $	November 1939 $	Change $
Loans	1,169.0	1,178.5	—9.5	1,157.1	+11.9
Investments	1,512.5	1,519.5	—7.0	1,665.0	—152.5
Total	2,681.5	2,698.0	—16.5	2,822.1	—140.6
Deposits	2,588.4	2,540.7	+47.7	2,600.6	—12.2
Credit index*	41.0%	41.9%	—0.9%	39.5%	+1.5%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS

	November 1940 $	October 1940 $	Change $	November 1939 $	Change $
Immediately Available Liquid Assets					
Canadian coin	6,189,832	6,033,837	+155,995	4,677,939	+1,511,893
Bk. of Can. notes	75,844,824	82,477,135	—6,632,311	66,515,658	+9,329,166
Bk. of Can. depos.	231,193,497	221,680,864	+9,512,633	223,492,057	+7,701,440
Bank's cash	313,228,153	310,191,836	+3,036,317	294,685,654	+18,542,499
Other banks notes	3,167,612	3,289,274	—121,662	4,161,383	—993,771
Gold & sub. coin abd.	3,686,863	4,107,118	—420,255	6,021,690	—2,334,827
Foreign banks	191,600,345	189,954,836	+1,645,509	230,874,711	—39,274,366
Foreign curr.	27,651,818	28,835,634	—1,183,816	33,572,868	—5,921,050
Gov. sec. short term	699,667,085	715,507,782	—15,840,697	681,356,934	+18,310,151
Do., long term	578,965,611	567,473,036	+11,492,575	681,559,000	—102,593,389
Call loans abroad	35,324,392	42,539,880	—7,215,488	45,338,557	—10,014,165
	1,853,291,879	1,861,899,396	—8,607,517	1,977,570,797	—124,278,918
Loans and Securities Other Than Those of Canadian Government					
Municipal secs.	91,019,735	86,457,118	+4,562,617	99,716,876	—8,697,141
Public secs.‡	43,979,296	49,070,289	—5,090,993	78,088,853	—34,109,557
Other secs.	98,824,940	101,031,125	—2,206,185	124,279,866	—25,454,926
Can. call loans	41,310,618	40,933,817	+376,801	55,514,234	—14,203,616
Current loans	1,021,276,282	1,024,278,286	—3,002,004	972,784,147	+48,492,135
Loans abroad	127,579,727	126,245,970	+1,333,757	143,323,894	—15,744,167
Prov. loans	13,805,251	13,967,670	—162,419	16,668,825	—2,863,574
Mun. loans	92,622,309	99,366,176	—6,743,867	112,132,928	—19,510,619
	1,530,418,158	1,541,350,451	—10,932,293	1,602,509,623	—72,091,465
OTHER ASSETS					
Non-current loans	6,115,095	7,063,418	—948,323	8,546,476	—2,431,381
Real estate	7,322,976	7,277,262	+45,714	7,705,816	—382,840
Mortgages	3,597,366	3,658,545	—61,179	4,101,678	—504,312
Premises	70,493,647	71,093,520	—599,873	71,967,983	—1,474,336
Letters of credit	67,293,296	68,047,529	—754,233	52,658,331	+14,634,965
Loans to comp.	11,415,563	11,220,195	+195,368	11,451,416	—35,853
Other assets	1,859,029	1,946,126	—87,097	1,855,022	+4,007
	168,096,972	170,306,595	—2,209,623	158,286,722	+9,810,250
Total	3,551,807,009	3,573,556,442	—21,749,433	3,738,367,142	—186,560,133
Note circ. dep.	4,829,171	4,826,410	+2,761	5,065,607	—236,436
Int. bank bal.	125,390,398	132,693,287	—7,302,889	128,480,683	—3,090,285
Gross	3,682,026,578	3,711,076,139	—29,049,561	3,871,913,432	—189,886,854

LIABILITIES

	November 1940 $	October 1940 $	Change $	November 1939 $	Change $
To the Public					
Circulation	90,903,096	91,624,793	—721,697	93,126,044	—2,222,948
Dom. Govt.	95,649,754	176,379,820	—80,730,066	151,024,563	—55,374,809
Prov. Govt.	73,497,553	60,491,202	+13,006,351	56,900,374	+16,597,179
Deposits by Public					
Demand dep.	962,492,339	941,278,748	+21,213,591	865,786,256	+96,706,083
Savings dep.	1,625,878,423	1,599,463,510	+26,414,913	1,734,837,368	—108,958,945
Total	2,588,370,762	2,540,742,258	+47,628,504	2,600,623,624	—12,252,862
Foreign dep.	398,783,923	405,307,597	—6,523,674	486,816,997	—88,033,074
Due to Banks Abroad, Etc.					
United Kingdom	26,265,133	29,073,025	—2,807,892	78,762,416	—52,497,283
Foreign	26,842,630	26,900,012	—57,382	40,158,914	—13,316,284
Bills payable	43,013	52,788	—9,775	371,238	—328,225
Letters of credit	67,293,296	68,047,529	—754,233	52,658,331	+14,634,965
Other liabs.	5,643,289	4,601,790	+1,041,499	4,625,680	+1,017,609
Total pub. liabs.	3,373,292,449	3,403,220,814	—29,928,365	3,565,068,181	—191,775,732
Due bet. banks	11,533,021	12,714,407	—1,181,386	12,288,219	—755,198
Liability to Shareholders					
Dividends	2,263,055	2,782,540	—519,485	2,224,012	+39,043
Reserve	133,750,000	133,750,000	....	133,750,000	....
Capital	145,500,000	145,500,000	....	145,500,000	....
Gross	3,666,338,525	3,697,967,761	—31,629,236	3,858,830,412	—192,491,887

‡Other than Canadian.

Bank Chat

A Prompt Statement

An unusual instance of speed in getting out an annual report is given by the First National Bank of Palm Beach, which mailed its completed report for 1940 on Jan. 1, 1941. A copy sent by air mail was received in Toronto Jan. 2.

Although the bank's year only closed Dec. 31, no details were omitted from the report, which is an 18-page booklet.

The year's operations are reviewed and the various services offered by the bank described. A special feature is a detailed statement of the loans and discounts, under the separate headings of Commercial Loans, Automobile and Personal Loans and Mortgages.

Tables show the growth over eight years in deposits, loans and mortgages.

Deposits have risen to over $15 millions at the end of 1940, compared with $2 millions in 1933; commercial loans to $3 millions from $129,865 in the same period.

Earnings per share of $100 par value were $113.55 in 1940 compared with $102.50 in 1939 and 89 cents in 1933. The book value of the shares is calculated at $766. The bank pays a monthly dividend of $1 a share with extras from time to time.

The report is attractively got up with a colored picture of the bank's building on the front cover.

Monthly Bank Clearings

	Dec. 1940 $	Dec. 1939 $
Halifax	14,347,965	12,935,478
Saint John	8,497,532	8,370,600
Moncton	4,472,778	3,991,128
Sherbrooke	3,755,975	3,494,465
Quebec	24,055,735	22,244,564
Montreal	476,258,870	429,214,740
Ottawa	162,965,199	92,637,356
Kingston	2,996,595	2,735,901
Peterborough	2,953,251	2,693,668
Toronto	521,344,968	497,328,090
Hamilton	26,977,645	27,473,249
Kitchener	5,400,130	5,191,360
Brantford	4,414,084	4,367,634
London	12,969,773	12,640,090
Chatham	3,246,730	3,402,927
Windsor	16,418,008	12,201,168
Sarnia	2,202,374	2,205,581
Sudbury	4,560,014	4,755,000
Fort William	4,110,026	3,427,802
Winnipeg	203,207,525	296,918,021
Brandon	1,733,462	1,409,089
Moose Jaw	3,094,329	2,885,794
Saskatoon	6,538,088	6,629,754
Edmonton	20,286,229	19,591,122
Lethbridge	2,662,150	2,424,004
Medicine Hat	1,515,510	1,059,524
New Westminster	3,276,464	2,806,375
Vancouver	79,417,420	74,260,441
Victoria	8,017,060	7,637,208
Calgary	31,524,627	28,892,008

The Independent Order of Foresters

The Certificates issued by The Independent Order of Foresters furnish a wide range of insurance protection, and associated with membership there are valuable fraternal benefits.

Mortuary Benefits, Sick Benefits, Disability Benefits, Old Age Benefits, Automatic Non-forfeiture Privileges, and Certificates maturing at ages sixty and sixty-five.

ASSETS OVER $44,000,000.00

FRANK E. HAND, Supreme Chief Ranger

Head Office: - - Toronto, Canada

"THE SUREST WAY OF PREVENTING Pneumonia"

According to an eminent physician, "The surest way of preventing pneumonia is to eliminate the common cold and other respiratory infections."

This is because pneumonia rarely strikes out of a clear sky; usually it is preceded by a cold, influenza, or some other infection of the breathing passages.

Remember, colds are contagious. Thoughtful people cover up coughs and sneezes.

How, then, can one guard against the dangerous cold?

. . . By keeping away from people who have colds and avoiding contact with crowds as much as possible. By getting daily outdoor exercise and keeping in good physical condition. By getting adequate rest and keeping properly clothed. By avoiding over-heated rooms. By eating properly—not *over*-eating—and being sure to get plenty of protective foods like green vegetables.

At the *first sign* of a cold, proper treatment should be started and kept up as long as the cold persists. If the cold becomes severe, the safest course is to go to bed and call your doctor.

Daily exercise pays dividends in pleasure and good health.

Pneumonia strikes most frequently during the first three months of the year. So it is particularly important, during this period, for you to be on the lookout for pneumonia's most common warning symptoms such as:

Sudden chill . . . fever . . . pain in side . . . cough . . . thick, rust-coloured sputum . . . hurried, somewhat laboured breathing.

When any one or any combination of these symptoms is present, a doctor should be called *at once*. For if the illness *is* pneumonia, he will then, while there is still time, have the best opportunity to use successfully the effective weapons of modern science.

Only a few years ago, the doctor was relatively helpless in the face of pneumonia. Today, he has means of more certain diagnosis . . . including methods of determining more accurately the type of pneumonia. Furthermore there are highly effective serums and chemical agents to use separately, or in combination, in treating a particular case.

These new developments have been responsible for an amazing reduction, in the past three years, of about 50% in the death rate from pneumonia.

Proper clothing is important to the health of the whole family.

But—most important—the doctor must have the chance to use his skill against pneumonia *early!*

Metropolitan's free booklet, "Colds, Influenza, Pneumonia," contains many valuable, practical suggestions to help you ward off trouble at this time. Write today to Dept. 1-F-41 Canadian Head Office, Ottawa.

Metropolitan Life Insurance Company
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LEROY A. LINCOLN, President
CANADIAN HEAD OFFICE—OTTAWA

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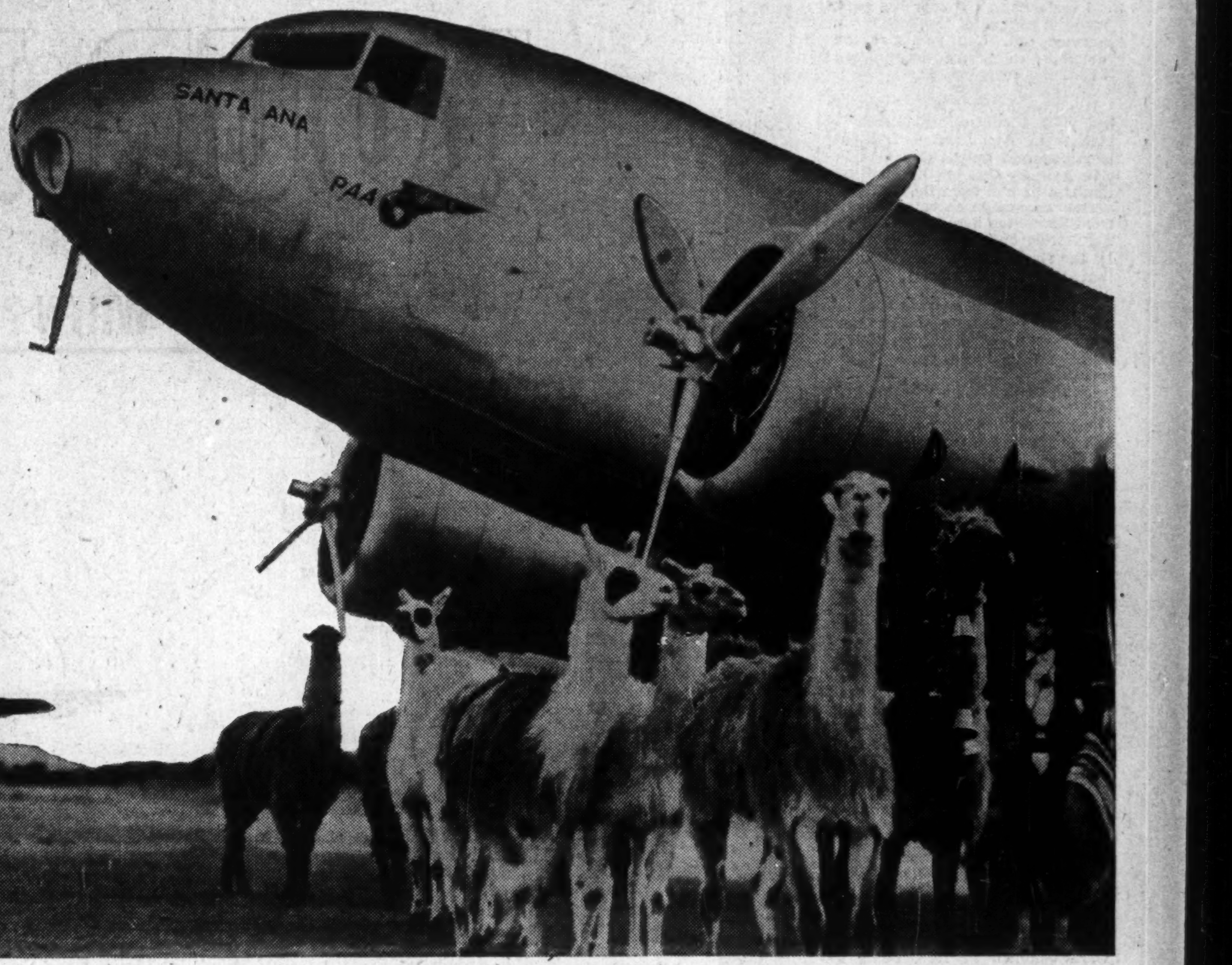
Vol. XXXV | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, JANUARY 11, 1941 | 10c a Copy: $5.00 a Year | No. 2

McEachern on South America

Finds Peru Strictly Neutral But Praying For British Win



—Pan American Airways photo.

Oldest and newest modes of transportation, the llama and airplane meet in Peru. And R. A. McEachern of The Financial Post found other striking contrasts in this old South American country perched high on the backbone of the Andes.

By R. A. McEACHERN
Staff Writer, The Financial Post

R. A. McEACHERN

LIMA, PERU.—When one of the bulls refused to fight a few Sundays ago, a wit in the crowd shouted, "Come on, Il Duce," another, "That must be Mussolini." The jokes sped through the stands like grasshoppers through a meadow. Now all Lima talks about "Il Duce," the bull that wouldn't fight.

In broken English the hotel chambermaid asked me if I had heard how all the Italians here had gone to ask the Government for special police protection. They had just heard that two Greeks were opening a restaurant.

At the big motion picture theatre across the great seven acre Plaza blazing with flowers outside my hotel window, the current film is "Mortal Storm," a story of the Nazi terror. The crowds keep an almost un-Latin quiet during the showing. When it is over they stamp and cheer. When Churchill comes on the screen there are wild demonstrations of acclaim. Mussolini and Hitler get laughs and boos.

Three or four German merchant ships are at anchor in harbor here. An armed Canadian vessel has been in port watching them. The Canadian officers were lavishly entertained on shore.

The interesting thing about all that is this: The Germans, Italians and Japanese are by far the biggest foreign groups in Peru. Socially and economically these three foreign groups have gained much power. Until a few months ago, there are many who would have said that they also had important political power, and they would cite the family relationship of some in positions of power here with somebody else linked with Britain's enemies.

But after talks with leaders here, the only conclusion permissible would be that the present Manuel Prado Government of Peru is following a very careful course of strict neutrality, with nearly all of its members cheering for British victory.

And now let us glance at Peru itself.

Desert below, the Pacific Ocean to the right, the Andes clutching at the skies on the left, that is the Canadian traveller's introduction, by airplane, to Peru.

The desert stretches for some 1,500 miles along the coast, varying only between billard-table flatness and barren wastes of rock tumbled by a playful giant.

As one nears the capital, valleys stretching back from the ocean into the the foothills become better defined. Here Peru's agriculture begins, mainly cotton and sugar. Mountain streams are piped down through the valley, and every 10 to 25 miles there is one of these vivid green gashes, set off from the stark sterility of the desert on each side with the precision of a surveyor's line.

The soil of Peru is amazingly fertile. "You just have to let the ground smell seeds to get astonishing growth," one Canadian woman told me.

But it never rains in Peru, at least hardly ever; perhaps one or two freak showers over a small area in a century. Rain would be a national tragedy here. It washes the houses away. For walls, roof and courtyard are built simply by mixing a little water with the soil dug out to make a cellar.

Everything that grows is irrigated. Once a week householders flood their lawns several inches deep. I saw geraniums, the same as the Canadian kind, almost two feet high, dripping with blossom. These came from seed stuck in the ground three months before.

Geography has made Peru three separate regions with three different kinds of people. There is the coastal desert—the plane route—with its irrigated valleys and great cotton and sugar estates; its people are a mixture of Spanish, Indian, and a dozen other races.

There is the region of the Andes, highest inhabited area in the world—the area of the great copper mines and of the increasingly rich gold production. This is where the native Indians have developed through the centuries unique powers of living and working with just about half the oxygen required by man in other parts of the world. Until very recent years 15,000 ft. up was regarded in the aviation world as stratosphere, requiring special airplanes, oxygen apparatus and so on. Mining engineers, many from Canadian or American universities, working in the high sierras are sent down to sea level for two weeks every six months to convalesce from the effects of oxygen starvation.

Gold Plated Palaces

Up there is the old Empire of the Incas, perhaps one of the oldest and most highly developed ancient civilizations yet exhumed in any part of the world, sun worshippers with a gargantuan taste for plating their palaces with the gold and silver treasure from the mountains among which they lived.

The third Peru is the still largely unknown jungle; the worst in South America, stretching from the Andes east to the boundaries of Bolivia, Colombia and Brazil. Explorers like Fawcett are still in that jungle. A motor road has recently been built from Lima almost 300 miles through the Andes to join at its eastern end with a navigable tributary of the great Amazon river system that empties into the Atlantic.

The road climbs 15,000 feet in about 100 miles from Lima. Travellers often faint or become violently ill at the altitude. Besides opening up the mining country, the road's purpose was to help open up the jungle interior. Henry Ford has a large-scale rubber plantation experiment in progress in similar territory in Brazil. The Peruvians are watching it closely as a possible hope for their own jungle.

A Canadian Colony

My first introduction to this strange land was a brief stop at Talara, Peru. Here in the Peruvian desert I found the largest Canadian community in South America, a colony of more than 150 Canadian men, women and children.

These are the men who run the oil field and refineries of International Petroleum, subsidiary of Imperial Oil of Canada and the largest foreign enterprise in the country.

Talara is the most westerly point in South America, the very tip of the continental bulge on the left hand side of the map.

And this is the oldest known oil field, at least in the Americas. Old Spanish Conquistador Pizarro came here to caulk his ship with the pitch that bubbles to the surface. There are still some of the giant iron cauldrons in which he boiled it sitting around the camp.

The airplane taking me from Cali in Colombia to Lima had crossed the lush, green and carefully tilled fields of northern Ecuador, climbing the mountainside. We had passed the mildewed greenish bog of Guayaquil.

Too Dry for Cactus

Northern Peru starts with desert, hardly a cactus in a hundred miles, tremendous folds and canyons over which air pockets almost bounced us out of our chairs; millions of acres of rock, figured like the surface of a leaf and the bigger creases filled with lava-like streams of smooth hard clay, streams that have never flowed in man's lifetime. And, on our right, the Pacific Ocean.

I was surprised and alarmed when the plane's radio operator came back telling me that somebody was asking if a Canadian newspaperman were aboard. I had watched the desert for so long it seemed hard to believe there was anyone anywhere to ask anything.

The three bells for fastening seat belts soon rang, the plane was hopping fast past a group of oil derricks, grounded and streaked over the desert, raising a dust storm in its wake.

At the airport were Canadians. Blake Rapley, husky, dark chief engineer of the field with his wife and two small daughters. There was thin, eager George Kent, superintendent and refinery chief. Dr. B. B. R. Burns, surgeon of the camps, G. R. Cameron, accountant, and Captain D. G. Williams, marine superintendent in charge of tanker traffic.

The party had come to meet the Canadian Trade Mission. Rapley had wired the plane, found the Mission was stalled in Panama, but the party stayed to have a look at me.

Cameron had just finished playing golf. The desert is flat as a table around there but a few ditches—for pipe line—provide hazards and Cameron claims there is nothing like a good sand green to test golfing skill.

Though it was noon and the sun was blazing, there was a swift cool breeze off the ocean. The disappointed reception committee was all dressed up in nifty summer suits and would have been a decorative credit to a colonial governor's garden party.

2,000 Oil Wells

International Pete came into this field in 1916. There are now about 2,000 wells operating, some of them pumpers, most of them flowing with a high test oil. The airplane on which I travelled refuelled here with a special high-test product, the lowest cost fuel anywhere on the Panagra route, I was told. Present production of the field is about 25,000 barrels a day. Refinery capacity is around 20,000.

There are two main camps here: Talara is the production centre, site of most of the wells, the Canadian colony. Negritos, the refining centre, has its colony of some 80 Americans. The national separatism wasn't planned. It just happened that way, I'm told.

The company has provided a school for children of the camp and two Canadians, Gordon Scott and Adam Laidlaw, are feeding culture into some 70 youngsters.

On the far side of the airport a Peruvian Indian riding a pony was driving two mules carrying high and broad packs—all in single file. That, I found, was part of the camp's local supply train, one of the natives that comes down some 30 miles from the interior with fresh foods. Most of the food comes by tanker and one of the Canadians voiced a prayer of gratitude for the high and still increasing skill of the canning industry in preserving and frosting foods to withstand both time and tropical heat.

Well drilling here is easy—at least compared with western Canada. The rock is soft and production usually comes around 3,000 feet. There are a few Canadian drillers, but most of the drillers and roughnecks (that is not a term of reproach, standing only for driller's helpers) are from the oil fields of the United States. Pipe line is strung simply along the floor of the desert. Some 4,000 Peruvians are employed.

Talara is supplying most of the oil for the west coast of South America but its markets elsewhere have been seriously disturbed by war.

Homesick for Snow

The Canadians at the airport very evidently were a good bit homesick when I told them that only a few days before my car had been stuck three times in snowbanks back home. Closing their eyes in a shower bath and thinking of rain is the closest they can get to it here.

"Cut off" as they seem to be, these Canadians are apparently still very Canadian. I find that into their camp regularly come several copies of The Financial Post, some of Maclean's, Chatelaine and, I suppose, other Canadian publications.

Remote from war as they appear, the wives of the camp are fervently busy. Some $23,000 has been contributed toward a "Spitfire fund" and a Red Cross Society is knitting furiously—wool literally on top of the Equator. Most of the colony is voluntarily assessing itself an amount equal to the new Canadian wartime income tax to raise money for patriotic purposes.

As the plane climbed on the next leg of the journey, I saw a squad of perhaps 80 green-uniformed Peruvian troops, marching in from the coast. Part of the Peruvian military—French trained—is holding manoeuvres in this section of the republic.

"A Large Piece of Paris"

Sloping in from the air, between two mountains spurs, on one of which stands a giant lighted cross, Lima looks squalid and dusty. The houses are the same color as the desert and without irrigation, there is not a foot of vacant land that is not absolutely barren, light brown desert. Much of this I found later to be the area most seriously damaged by the earthquake of May last year which killed several hundred, left thousands homeless.

The real Lima is a large piece of Paris transferred to the other side of the world. It has great boulevards two or three times as wide as the characteristic Canadian street, strips of grass separating the traffic lanes. On each side of the street, white, and rich-looking homes, flats and apartment buildings three or four stories high rise in block after block. Design of most is ornate and grand like the Europe that was. But some are more modern in design than architects have so far dared in Canada.

Districts of separate private homes were the same; fine structures of old European design or modern beyond almost anything known at home. But all were the same in the walls surrounding the entire property, usually covered with flowers or hidden behind formal hedges, and with the doorbell on the locked garden gate.

The business district is like Paris too. Narrow streets, great dark buildings, windows heavily barred, giant shutters to be heavily padlocked at night, or in the newer business areas, new and ornate buildings more than seven stories high, but white and ornate, rising on the four sides of the many large city squares centred with a park.

For Lima is very old or very new. It was the City of the Kings, capital of the Old Spanish Empire in South America and many of its buildings go back to the 1500's. Many an alley between shops in the business districts leads to the patio of some old, great house of the Spanish dons. Many buildings in the old city still have the narrow enclosed wooden galleries stretched across their front, three stories up, relics of days when duennas did not appear in the streets and when there might be enemies to observe below.

Boom Since Great War

The new Lima that has emerged in the past generation, the Lima that has about doubled its size in the last 15 years to 350,000, is of the boom years, and period of the first world war.

Here is a great city with hundreds of motor cars and scores of buses and trams travelling its streets and these streets are cleaner than in Montreal or Toronto; and generally speaking, both business and residential sections are more attractive, externally at least, than those at home. Lima really exists and lives. It is not just a picture in the travel books.

And what about the support behind Lima and the rest of urban Peru?

Enormous amounts of cotton and sugar have been Peru's blessing in good times. Now they constitute her main problem. Because European markets are closed, around the ports of Peru thousands upon thousands of bales of cotton have been piled up, waiting foreign buyers—and the same for sugar. I am told that now for the most part, the victims are foreign traders who bought before the collapse of world trade. It is to next year, when Peruvian business may have to stand the loss, that this country is looking.

Oil and Copper

Petroleum and copper are the other two big items of Peruvian business. The oil comes from International Petroleum's field at Talara and most of the copper from Cerro de Pasco, the giant mining enterprise financed around the turn of the century by J. P. Morgan, William Randolph Hearst's mother and others.

Rich though Peru is in these commodities they are not clear blessings. Oil fields don't run forever. Production at the Talara field is not what it used to be. So far, however, no one is yet think-about depletion at the Cerro de Pasco Copper mines.

Gold is the next main item of production, one that is increasing and that is in the hands very largely of Peruvians. As in Canada, gold is serving an important national function in collecting U.S. dollars with which to buy manufactured things there.

Secondary Industry

Peru well realizes the narrowness of her national economy and in the past decade there has been a considerable development of secondary industry, particularly in the textile, chemical and light manufacturing fields. I have seen at least five new factories going up and many that have started operations within the past five years. The Government has assisted with high import duties and a depreciated currency. Most manufacturing so far is confined to consumer goods, but there is coal and iron in the republic and there is talk about the day when steel and heavy industry will be national.

To get some manufacturing plants going, the Government for a time granted monopolies. The Government itself operates state monopolies in tobacco, matches, salt, fertilizer and industrial alcohol.

The administration of President Manuel Prado is heir to that of General Benavides, who retired at the last election and who during a long period of office started Peru on its way to development. Road building, far into the interior, a thousand miles up and down the Pacific coast. Encouragement of local industry. Social programmes.

Tall, very gracious, cultured and European, since he was educated and lived many years in Europe, Dr. Prado is respected for his abilities and business record. But he faces problems which take more than able government and good intentions to solve.

First is the basic problem of the Indian population. Of the seven to eight million people in the republic, there are only about one million whites and near whites. As one Peruvian said; "In your country, you only had a few Indians to start with. You kept driving them farther and farther back to the west and between wars and disease their number was rapidly depleted. Then you peopled your country with those of your own race. Here in Peru we remained a few Spaniards trying to make a nation out of the people we found here."

Indian Won't Assimilate

I have found no one here who believes the Indian generally has yet come near the stage of assimilation. Remnant of the proud Inca Empire, the Indian has a basic antipathy to the white conqueror and his strange ideas about paved roads, sanitation and office hours. The Indian has not yet shown great aptitude for what we call efficiency in the white man's world.

Fostering the traditional separatism of whites and natives are the church schools, which are inexpensive but not free and to which go the children of the whites, unless they are sent out of the country for schooling.

Another basic fact about Peru is its large foreign population. There are roughly now about 800 British, the same number of Americans, about four thousand Italians, a smaller group of Germans and perhaps fifty thousand Japanese and Chinese.

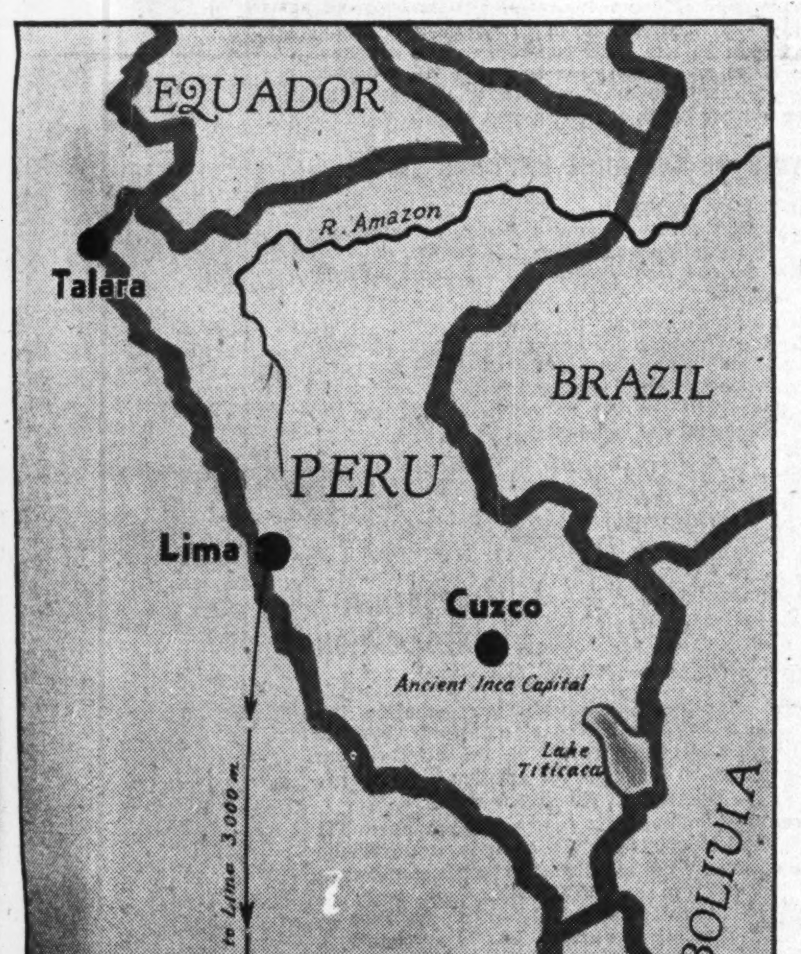
Strong Family Ties

The vitality and strength of the family as a social and economic unit here is a very important factor in all governmental problems. Being without a job almost invariably means that the jobless rejoin their families in the town or in the country, hence there is little or no absolute want. Rebuilding after the earthquake and the general prosperity which Peru has been enjoying so far have resulted in very large employment rolls and Peruvians say there is virtually no unemployment.

A middle class is slowly emerging, but for the most part Peru is made up of two classes, the well-to-do and the native living pretty much the same kind of life as he has done for the past couple of centuries. The semi-feudal forms of the past die very hard, especially when the native finds that under it he gets fed, work or no work, and he, his cousins and aunts get looked after in sickness and in health and especially as the hacienda owner is in almost all cases also an inheritor of the tradition of the responsibility for his farmers.

The big cotton, sugar or coffee estate of two or three thousand acres is still basic to the pattern of agricultural life. The haciendada or administrator (usually of Spanish descent, but with some European and Scots among them) seldom appears in town. He comes in only to salt away some of the $10-15 thousands a year he may earn for operating a large estate. Recently there has been a great influx of estate owners from Europe, families who have long owned haciendas here and are coming back to settle in Peru away from the European shambles.

For Canadian Trade Opportunities With Peru See Page 11



—Imperial Oil photo.

"Talara is the most westerly point in South America, the very tip of the continental bulge on the left hand side of the map. And this is the oldest known oil field, at least in the Americas." This refinery is an important item in the $85 millions Peruvian investment of International Petroleum, South American producing subsidiary of Imperial Oil. "Pete" has 5,000 employees in Peru and in addition to shipping crude oil it refines gasoline for sale in Peru and neighboring countries. It is Peru's biggest supplier of gasoline and fuel oil.

Your Investments

Mackenzie Air Service

I understand a change has been made in control of Mackenzie Air Service Ltd. Can you give me details, also general information about the company?

It is true that reliable information has it that controlling interest of Mackenzie Air Service Ltd. has been acquired by the Canadian Pacific Railway Co., but no confirmation can be had from the C.P.R.

The company operates aircraft from Edmonton into the North West Territories and revenues were hit by the slackening of prospecting in that territory following the outbreak of war. Gross operating revenue decreased from $341,093 in 1938 to $257,173 in 1939. Net loss of $11,413 last year compared with a net profit of $34,654 in the previous twelve months.

On the other hand, working capital improved substantially to $138,110 from $11,190.

A factor which may contribute to offsetting the loss of prospecting business has been the opening of an aerial photographic department. In 1939 about 8,000 square miles was photographed for the Dominion and Provincial Governments.

Asbestos Corp.

How has the war affected Asbestos Corp.? What is its long-range earnings record?

Asbestos Corp. lost important European markets as a result of the war, so less favorable results can be expected in the 1940 annual report than in the 1939 one. The company is optimistic about this loss being at least partially offset by an increase in exports to the United States in 1941, but the shipments will consist largely of less profitable materials.

The experience of this company is that its earnings fluctuate widely from year to year, and while they have remained at a relatively high level during the past three or four years, heavy losses were shown during the period 1930-34. Dividends were resumed in 1938, being the first payment since 1929.

Ford of Canada

I would like a summary of the earnings record of Ford Motor Co. of Canada. How is it fixed to pay dividends if they are not earned every year?

Ford Motor Co. of Canada is doing a big business in producing armored cars and other equipment for Canada's army as well as other parts of the Empire. It has maintained a reasonably strong earnings power, even during the more difficult years of the depression and missed paying dividends only in one year since 1930. Prior to that, in 1928 to 1929, it also missed dividends, but during the period 1908-1927, it did not miss a single year with payments ranging from a low of 5% in 1917-18 to a high of 600% in 1916. The company is an exceptionally strong one and able to take care of full dividend requirements for a number of years, even if the dividend is not earned.

Prospects for the balance of the war are quite good, although taking the long-range view, one should keep in mind the possible postwar readjustment. Military demands have offset loss of export markets since outbreak of war.

Moore Corp.

What has the earnings experience been for Moore Corp. and what is the outlook?

Moore Corp. has had a good earnings record, with profits having shown a substantial increase in each year from 1934 to 1939, with the exception of 1938. Net profit of $663,301 in 1934 had been more than doubled by 1939, when the figure was $1,681,898. Dividends on the common stock have been paid in each year, and have been consistently increased from the 50 cents per share per annum paid in 1934 to $2.40 in 1940.

This company looks for further expansion of sales, as its operating subsidiaries in the United States expect considerable business from the stepped up defense in that country. The company has only 10% of its business in Canada, so will not be heavily hit by increased taxation here. On the other hand, it will have heavier taxes to pay on its United States operations.

International Milling

What are the prospects of uninterrupted payments on the preferred stock of International Milling Co.?

International Milling Co. has had an exceptionally good earnings record, having maintained full preferred dividend payments during the full period of 1923-1940. The company was organized in 1923. In addition to that, it has been possible to pay common dividends in all of these years, with the exception of 1938. On this basis there is a good margin to protect the preferred dividends. Not only that, but the company is quite sound and even if it broke its record and could not earn the dividend requirements, its reserves would leave a good margin by which to maintain preferred payments.

Inter. Metal Industries

How is the war affecting International Metal Industries? What are prospects for preferred dividends being maintained?

International Metal Industries Ltd. is a company which should benefit from the defense activity both in the United States and Canada, where the company's subsidiaries operate. Looking over the past records, however, it should be noted that no dividends were paid on the preferred stock during the period 1933-37. In the last several years it has substantially strengthened its position and should further do so during the war period. It should not be overlooked, however, that much of the gains both in the United States and Canadian business will be offset by substantially higher taxes. Judging from the company's 1932-36 record, it is not unlikely that in the post-war period readjustments will be required.

YOUR INCOME TAX

HOW? WHEN? WHERE? WHO? HOW MUCH?

THIS YEAR, almost every man and woman in Canada will share the burden of paying for the war. A million new taxpayers will pay who never paid before. A personal budget payment plan is available to old taxpayers who are faced with substantially increased income taxes.

Canadians are asked to shoulder their share of the war effort cheerfully and willingly. By paying your income tax regularly you help to speed the production of war material, and bring the day of victory closer. Figure out how much tax you will have to pay, and arrange to pay promptly when due.

Pay by instalments—the easy way—and save interest.

Cut out this page and keep it for future reference.

WHO PAYS INCOME TAX?

If you are a single person without dependents, and your income in 1940 was more than $750.00 you pay general-income-tax.

If you are a married person without dependents, and your income in 1940 was more than $1500.00 you pay general-income-tax.

If you are a married person with children, you are allowed $400.00 exemption for each dependent child or grandchild, in addition to the $1500.00 exemption.

NOTE: In addition to the general-income tax you pay National Defence Tax on your total income without any exemption if you are single and your income goes over $600 or if you are married and your income goes over $1,200.

HOW DO YOU PAY?

Your income tax may be paid in the following ways—

1. **The Present Method:** At least one-third of the tax to be paid by April 30th, the balance, with interest at 5% from April 30th, to be paid by August 31st. On any balance unpaid after August 31st, the interest rate will be 8%.

2. **The Proposed Method:** In 8 monthly instalments without interest. To take advantage of this new way of paying, the first instalment must be paid on or before January 31st. You must pay at least one-third of the estimated tax in four equal monthly instalments, in January, February, March and April, i.e. 1-12 of the estimated tax in each of the said 4 months. The remaining two-thirds must be paid in four equal monthly instalments in May, June, July and August, i.e. 1-6th of the estimated tax in each of the said 4 months. (This will be in the amended law.)

3. **The Recommended Method:** This method will not be found in the law but it is a simple method, namely, in eight equal monthly instalments, without interest, commencing in January.

To take advantage of the monthly payment plan without interest each payment must be made on or before the due dates. Otherwise interest will be charged on the total balance remaining unpaid after April 30th.

EXAMPLE OF INSTALMENT PAYING WITHOUT INTEREST

If your estimated tax is $60.00 you pay one-third of the tax ($20.00) in four instalments ($5.00 each) and the remaining two-thirds ($40.00) in four instalments ($10.00 each). Your payments are therefore as follows:

On or Before Jan. 31	On or Before Feb. 28	On or Before Mar. 31	On or Before April 30	On or Before May 31	On or Before June 30	On or Before July 31	On or Before Aug. 31
$5	$5	$5	$5	$10	$10	$10	$10—$60

However it is recommended that you pay your tax in eight equal monthly instalments of $7.50 each—$60.00.

Instalment Income Tax Remittance Forms are available at any post office, or any branch of any bank, or the office of the Inspector for your District, and their use will ensure accurate and proper allocation of your payment. However, you can send in your instalments by ordinary letter with your name and address plainly stated thereon, clearly indicating the division between Provincial and Dominion Tax payments.

HOW MUCH DO YOU PAY?

The general-income-tax is payable on your net income less exemptions.

If you are single, your exemption is $750.00. Thus if your total income is $1,000.00 you must pay tax on $250.00.

The exemption for a married person is $1,500.00 plus $400.00 for each dependent child or grandchild. Thus if you are a married man with two children and a total income of $2,600.00 your total exemptions are $1,500.00 plus $400.00 for each child, or $2,300.00 in all. So you pay tax on $300.00.

Payment: You may send a cheque, Post Office or Money Order in payment of income tax by mail, to the Inspector of Income Tax for the District in which you reside, made payable to the Receiver General of Canada. Write plainly, and give your name in full, so that mistakes in crediting may be avoided. Do not send money or postage stamps in envelopes.

Rates of General-Income-Tax which Individuals Must Pay

Your net taxable income is the amount left after you deduct exemptions from your total income.

If your net taxable income is
$250 or less the tax is .... 6% thereon.

If between	$250 and $1000	the tax is $	15	plus	8%	on the excess over $	250
" "	1000 and 2000	"	75	"	12%	" "	1000
" "	2000 and 3000	"	195	"	16%	" "	2000
" "	3000 and 4000	"	355	"	20%	" "	3000
" "	4000 and 5000	"	555	"	24%	" "	4000
" "	5000 and 6000	"	795	"	27%	" "	5000
" "	6000 and 7000	"	1065	"	30%	" "	6000
" "	7000 and 8000	"	1365	"	33%	" "	7000
" "	8000 and 9000	"	1695	"	35%	" "	8000
" "	9000 and 10000	"	2045	"	37%	" "	9000

For higher incomes refer to the Income War Tax Act.

In addition to the above rates, there is a surtax on all investment income in excess of $5000.

Also there is National Defence Tax and in some Provinces, Provincial Income Tax.

RATES OF NATIONAL DEFENCE TAX

For a single person
- 2% on the total income if the income exceeds $600 and does not exceed $1,200.00.
- 3% on the total income if the income exceeds $1,200.

For a married person
- 2% on the total income if the income exceeds $1,200 with a tax credit of $8.00 for each dependent child or grandchild.
  For 1940 the tax is on one-half of the income and the tax credit is $4.00.

FURTHER INFORMATION

Further information including the National Defence Tax Booklet and the necessary forms may be obtained from the Inspector of Income Tax for the district in which you reside.

Forms are now available. Form T.1 Special is to be used by individuals who are not in business whose income is not more than $5000. All others must use regular form T.1, or in the case of farmers, Form T.1A. Proprietors in business must file, in addition to the Form T.1 Return, an Excess Profits Tax Return on Form E.P.T.1 on or before April 30th next.

IMPORTANT
TO EVERY INCOME TAX PAYER

To enjoy the advantages of the Interest-Free Instalment Plan

You must pay the first instalment not later than January 31st, and pay regularly thereafter

CANADA

DOMINION OF CANADA INCOME TAX DIVISION

DEPARTMENT OF NATIONAL REVENUE

HON. COLIN GIBSON,
Minister of National Revenue

C. FRASER ELLIOTT,
Commissioner of Income Tax

A. W. Whitaker Heads Aluminum Co. of Can.

A. W. Whitaker has been appointed general manager of Aluminum Co. of Canada, succeeding the late O. M. Montgomery. Mr. Whitaker, who has been chief engineer of the company, will retain that position.

Bell Telephone Cuts Rates to Australia

The Bell Telephone Co. of Canada announces a 21% cut in rates on overseas telephone calls between Canada and Australia. New week-day rates are announced for the Maritimes, Quebec and Ontario as far west as Hamilton, as $21.75 and Sunday rate of $16.50. From points in Ontario west of Hamilton, new week-day rate is $19.50 and Sunday rate $15.

At the same time, the company announces services are now available to certain additional points in Colombia.

Montreal Locomotive Extending Plant

MONTREAL.—Montreal Locomotive Works has let contract to Sutherland Construction Co. for the excavation, concrete and drainage work on the new plant building at Longue Pointe.

Alberta Planning More Credit Branches

EDMONTON.—Operation of the Social Credit Government's treasury branches or credit houses will be expanded at an early date, according to plans now under consideration by the Government. Provincial Treasurer Solon Low said the move was "in response to a growing demand for such action."

In the public accounts for the fiscal year ended March 31, 1940, and announced during December, it was shown that operations of the treasury branches in the past two years resulted in a deficit of $374,503. This covered operations of about 30 branches throughout Alberta.

Mr. Low defended the credit house plan in his announcement of expansion proposals.

"The people of the province, manufacturers, producers, wage-earners and everybody else, have benefitted," he said.

DOMAINE D'ESTEREL

The Aristocrat of Laurentian Resorts

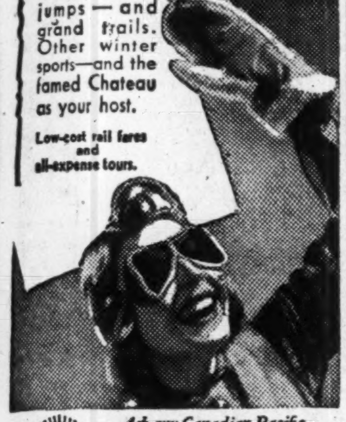
7,000 acre estate comprising fireproof Hotel de la Pointe Bleue . . . ski lodge . . . cottages . . . sporting clubs . . . shops . . . theatre . . . dancing room.

Restricted clientèle

Mr. Emile Charles Des Baillets, formerly general manager of The Ritz Carlton Hotel in Montreal has been appointed director of Hotel de la Pointe Bleue and of the hotel department of Domaine D'Esterel.

Skiing . . . Ski tow . . . riding . . . skating rink . . . skeet shooting.

Ste. Marguerite Station, P.Q.
Phone Ste. Marguerite 33
or PL. 9427, Montreal



SKI at LAC BEAUPORT
LIVE at CHATEAU FRONTENAC

• Swing into the new Parallel technique taught at the famous Chateau Frontenac Ski-Hawk School at Lac Beauport Snow Bowl, where snow's right, sun's bright...for snow tan. Ski-tows, slaloms, downhills, jumps — and grand trails. Other winter sports—and the famed Chateau as your host.

Low-cost rail fares and all-expense tours.

Ask any Canadian Pacific agent or write,

Chateau Frontenac
A CANADIAN PACIFIC HOTEL IN FRIENDLY OLD QUEBEC

EXPERIENCED TRAVELLERS
CARRY MONEY SAFELY
Canadian Pacific Express
TRAVELLERS CHEQUES

Luxury with Economy

The moment you open the welcoming door of your room at the Mount Royal Hotel you are greeted by all the luxury and creature comforts which only the greatest metropolitan hotels can provide. Room rates are very reasonable; from $3.50 single; from $6.00 double.

COME TO THE

Mount Royal Hotel
MONTREAL
DIRECTION VERNON G. CARDY

Snow Resorts Help War Effort

Winter Sport Facilities Big Asset to Canadians, And Bring in Exchange

Though you can't use snowballs for ammunition, Canada's snow is helping to win the war.

For the thick, white mantle that drapes most parts of Canada through the winter months not only lures thousands of Canadian winter sports fans. It also attracts other thousands of American visitors seeking the best conditions and facilities for their favorite pastime.

With them they bring American dollars, which they spend for transportation, resort accommodation, supplies and other expenses. Particularly in recent years these winter tourist dollars have added greatly to Canada's big net revenue from the tourist trade.

Increase Foreseen

The volume of winter sports visitors from south of the border is expected to show a still further substantial increase, despite the rapid rises recorded in the past few years. Cut off from foreign resorts, drawn to Canada by the premium on U. S. funds and superior snow and climatic conditions, American winter tourists are turning this season in a swelling tide to Canadian resort areas.

The visitors will be joined in their trek to Canada's winter playgrounds by a sharply higher number of Canadians. Not only has the enthusiasm of Canadians for winter sports shown a tremendous jump in recent years, but many Canadians who normally would go south or abroad are kept at home this year by war restrictions.

Today there are some 140 ski clubs in Canada with an estimated 30,000 members. The number of ski fans outside of clubs is set at over 100,000.

Nearly every section of Canada will share in the expected upturn in winter sports travel, and it will extend to areas and facilities adapted for every type of sport—skiing, tobogganing, skating, curling, snowshoeing, etc. But the lion's share of interest will be concentrated on skiing, the passion for which has grown amazingly on this continent in the past five or six years. And by far the greatest proportion of the throngs of skiers from both sides of the border will pour into the ideal ski regions fanning into the Laurentian Mountains north of Montreal.

Special Ski Trains

Because of the uncertainty of bus or auto transport over snow-packed side roads, the bulk of the Laurentians traffic is carried by train. Reflecting the special effort of the Canadian Pacific Railway to facilitate ski traffic, C. P. R. ski trains to the Laurentians carried a total of 143,500 passengers to the Laurentians last season—an average of 8,000 a week during the season, with 12,000 carried over a single week end and as many as 875 skiers riding on one train.

The C. P. R. total for the 1939-40 season was nearly 25% higher than the previous year, and compares with less than 37,000 in 1934-35, about 14,000 in 1927-28. A mounting traffic has also been carried to Laurentian ski districts by the C. N. R. special ski services.

In the past few years the ski train facilities, which are dovetailed with train schedules from New York, Boston and other U. S. points, have been supplemented by plane services. This season Canadian Colonial Airways is running a daily service from Montreal to St. Jovite, leaving at noon to permit connection with its regular air service from New York. Additional flights are being operated to St. Jovite on Fridays and Saturdays when required by increased week-end traffic, and additional return flights to Montreal are also provided if necessary on week ends.

Chief Attractions

In the rapid increase of ski activity to its present scope in the Laurentians the principal factors have been:

1. Exceptionally good conditions of snow and climate required for best enjoyment of skiing and other sports. Equally important, these conditions prevail consistently, with few breaks, throughout the winter. The snow is dependably deep, and of the crisp powder type regarded as ideal for skiing at its best.

2. Numerous districts, scattered through a wide expanse of territory, in which the natural terrain is readily adaptable to the needs of all types of skiing—from practice or instruction for the beginner to cross-country runs, ski racing and jumping for more advanced skiers.

Extensive Development

3. Large and continuing capital outlay in the extensive development of transport, resort and accessory facilities for ski enthusiasts. Scattered through the Laurentian ski zone are numerous resorts and ski centres, ranging from elaborate hotel-chalet-cottage developments to more modest cabin and farmhouse units. In addition to development of jumping hills, slalom courses, cross-country trails, etc., between 25 and 30 ski tows have been erected, several of them of the chair lift variety.

4. Accessibility. With most of the traffic funnelled through Montreal, the Laurentian ski districts are within easy reach of the most heavily populated sections of Canada and the United States.

Apart from two or three resorts in other districts, such as Manoir St. Castin north of Quebec and the Seigniory Club near Ottawa, most of the leading resorts and the most intensive development of ski facilities are found within the most accessible areas north of Montreal. Roughly speaking, this region starts at Shawbridge and St. Sauveur and fans northeast to Lac Masson, northwest to Mont Tremblant.

Leading Resorts

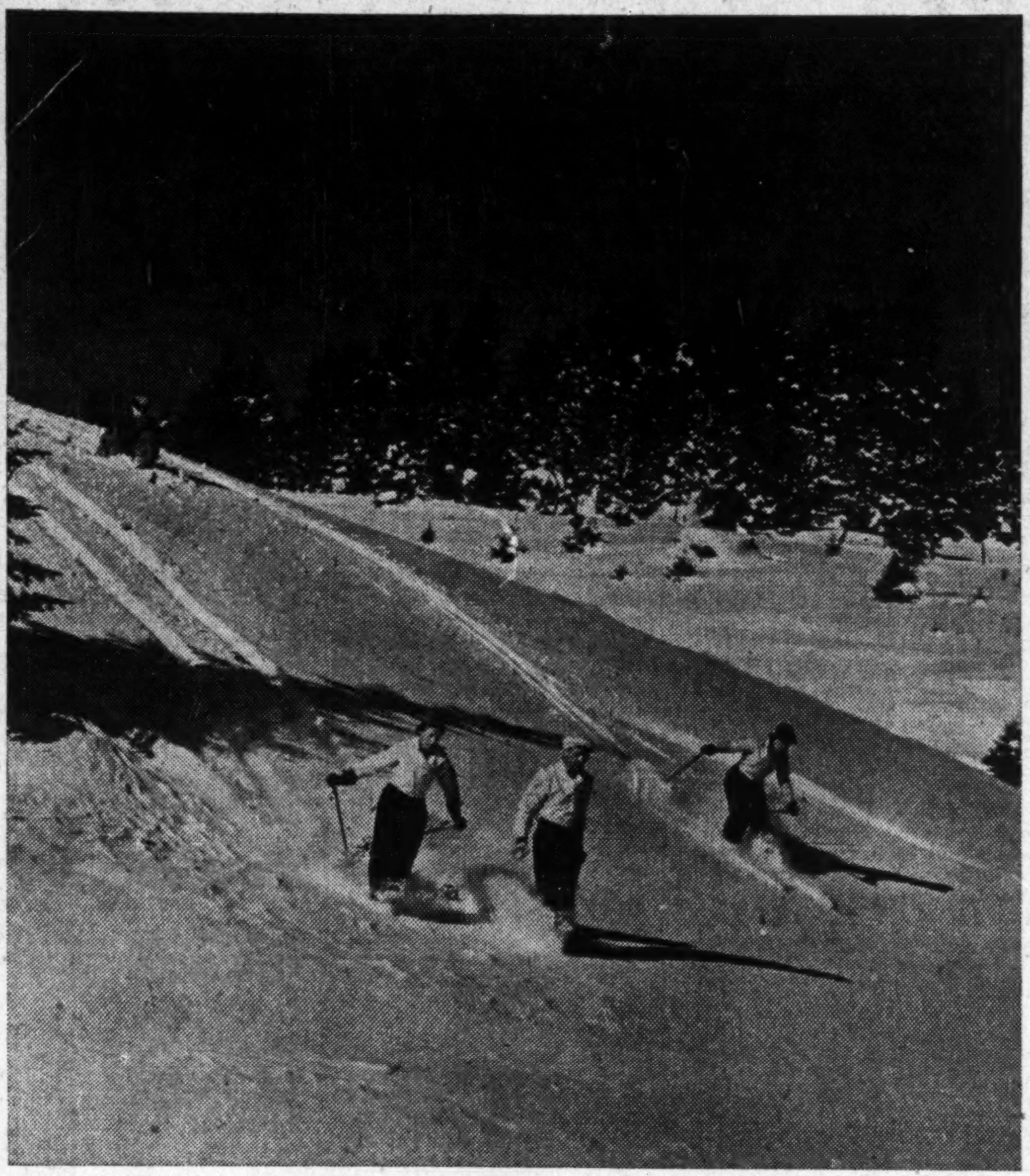
At Mont Tremblant is perhaps the most extensive and elaborate resort of the region, built up over the past several years by Joseph B. Ryan of Philadelphia at a cost of the better part of $1 million. This includes a modern hotel, recreation centre, 40 cottages, Hudson's Bay store, ski shop, a chair-type ski hoist running up Mont Tremblant, and other facilities for ski fans.

A dozen other leading establishments in the favorite ski districts of the region are associated in the Laurentian Resorts Association: Manoir Pinoteau at Mont Tremblant; Domaine d'Esterel and Manoir Ste. Marguerite at Lac Masson; Gray Rocks Inn at St. Jovite; Alpine Inn and Chalet Cochand, Ste. Marguerite; The Chantecler and Ste. Adele Lodge, St. Adele; Nymark's Lodge, St. Sauveur; Far-Hills Inn, Val Morin; La Sapiniere, Val David; and Laurentide Inn, Ste. Agathe.

These and other Laurentian resorts have done considerable work in the past few months to extend or improve facilities, to enlarge ski instruction staffs and aid in extending ski trails. With the 80-mile Maple Leaf Trail as the main artery, a 1,000-mile network of ski trails winds through the Laurentian region.

From now until the end of the season, particularly up to the end of February, conditions wil be especially attractive for Laurentian ski holidayers. Resort accommodation and ski facilities will be less thronged than during the Christmas and New Year seasons, the days will be getting steadily longer and the sun growing in brightness and warmth, though without affecting the ski standard of snow conditions.

Odd as it may seem to the unitiated, a ski holiday in the Laurentians is an excellent way to get a sun tan, and on many days during the next few weeks the sun will be so warm that some ski fans will be seen skiing in bathing suits.



C. P. R. photo.

Rapid growth in popularity of skiing in Canada in the past few years is expected to be reflected in still further increase this season in the throngs of both Canadians and Americans flocking to favorite ski areas across Canada. Especially popular, and capturing the bulk of ski holidayers from the big population centres of Canada and the United States, is the highly developed Laurentian ski zone north of Montreal. Deep powder snow, dependable crisp weather conditions, extensive development of resort accommodation, and an estimated 1,000 miles of ski trails, are among the particular attractions of the Laurentian area.

Canadian Trade With Peru Offered Unique Opportunity

By R. A. McEACHERN
Staff Writer, The Financial Post

LIMA, PERU.—Never before has the opportunity for increasing Canada's trade with Peru been so favorable. Peru sees Canada as one of the most hopeful partners for increasing business to the mutual benefit and a Peruvian government commission is now at work investigating those possibilities.

Peru—as well as Canada—had looked to the visit of the Canadian Trade Mission here as almost sure to produce concrete results. Peru will very shortly be host to the British Trade Mission, headed by Lord Willingdon, former Governor-General of Canada, touring South America in very grand style and with an impressive host of secretaries and assistants. There is very real disappointment here that so far nothing has been worked out with Canada.

Cotton and Sugar

Cotton and sugar are the two big Peruvian commodities entering the trade picture. The big petroleum and copper output is mainly in foreign hands. Though both produce very sizeable revenue for the Government out of royalty payments, though both are great employers of labor and buyers of supplies, their importance to Peru is generally felt here to be less than their dollar volume would indicate.

The war has shut Peru off from her previous main markets for cotton and sugar, and many here are very confident prophets that 1941 will see Peruvian business in the doldrums.

Canada Is Liked

Peruvians see Canada as having many of the things they want and needing the things they have to sell. They like International Petroleum which they call a Canadian company. They think of Canada as a country comparable in size to their own.

But Peru is one of the six countries in the Americas with which Canada has now no trade agreement. The others are Mexico, Chile, Ecuador, Honduras, and Nicaragua.

At the moment, the United States has no trade treaty here either, so that she and Canada are on the same footing. But a U.S. mission is scheduled to arrive here shortly and for Canadian business there is a serious possibility that this equal trading position will be ended and Uncle Sam will come off with special privileges.

Wheat Is Wanted

It is probable that the main items of trade which would have been discussed had the Canadian Trade Mission reached here would have been Canadian wheat for Peruvian cotton and sugar.

Peru imports very sizeable quantities of wheat every year—16 to 20 cargoes—and this Canada would have been only too glad to sell.

A shipment of Peruvian cotton was made to Canada a short time ago, largely for experimental purposes and as yet results are not disclosed. The Peruvian cotton is a long staple and is very high quality ordinarily commanding a premium price in world markets.

Canadian firms, however, have been accustomed mainly to the short staple of the American cotton variety and whether their technicians and machinery will be able to make proper use of the high quality Peruvian is a question that cotton men here are not answering.

About 90% of Canada's cotton comes from the United States—most of the rest from Egypt—and here the opinion is that if Canada is really serious about trying to conserve her U.S. dollars, purchase of Peruvian cotton is one of the easiest ways to do it.

Might Buy Sugar

Sugar is the other big Peruvian commodity that enters world trade. Canada's raw sugar is now being purchased through the sugar controller who, it is understood, buys in co-operation with or under the instructions of the British Minister of Foods. Presumably most of Canada's sugar is coming from sterling areas where the purchases will be most suitable for Great Britain's economic needs. It is believed, however, that the Canadian sugar administrator could purchase sugar on Canada's own account wherever a good further cause would be served.

Other items which Peru would likely be interested in offering Canada at the present time are coffee, wool, hides, fish specialties, cocaine and quinine.

Canada's business with Peru has not been large. Sales have soared in 1940 and trade to the end of August was equal to 1939's entire business. But the important thing is the size the Peruvian and other South American markets are likely to have a decade hence and who will then be entrenched in those markets.

Peru Going Ahead

For Peru is just now going through that stage of development which Canada saw before the first Great War. This country and this city has made enormous advances in the past 10 years.

There is a prejudice here in favor of the Canadian and the Canadian product. The Peruvian business man has an excellent knowledge of values and products because for years he has been a constant target for the British, German, French, Italian, American and other salesmen. He has been offered everything in the world, hence has a better idea than the average Canadian of what's what in price, quality, and style.

Although Canadian products are generally higher in price than those offered by others, they have won favor here because the Peruvian believes that the quality of the Canadian product is superior and because of his confidence that he will meet completely honest dealing.

Those are not my own guesses, they are the summation of what I have been told time and again here in a week of talking with business men.

Here are some of the basic facts about the Canadian-Peruvian trade situation.

Canada has no direct steamship connection—either on the Pacific or Atlantic—with west coast South American ports. This means that there must be transshipment, usually at New York, with the inevitable serious effect on costs.

Peru is about the only country left in the world that has no system of exchange control. Hence Canadian exporters do not find themselves running up against any hard and fast system of quotas or priorities.

There are probably two and a half to three million Peruvians who dress, eat and live in almost the same way as the average Canadian. They do not need umbrellas or overcoats because it does not rain and because it is never cold. But the Lima businessman wears clothes of the same weight cloth and style as Canadians; the same shirts, ties, hats and so on. His wife buys the same frocks, hats, cosmetics, creams and lingerie though here there is some dissatisfaction now because the old European sources are closed.

Here are the main Canadian products now coming to Peru.

Principal Imports into Peru from Canada In Soles (s/6.40—$1 U.S.)

	From Canada 1939	From Canada 1938	From all countries 1939
Auto., tires, etc.	1,801,503	1,128,540	4,464,546
Box shooks	1,353,025	848,799	2,243,594
Newsprint	242,529	180,481	1,670,506
Lumber	268,840	640,209	4,543,811
Wire, telephone, etc.	246,353	......	275,824
Milk, canned	223,849	105,329	3,536,963
Explosives	162,233	......	3,378,857
Piping	116,996	157,469	4,739,868
Machinery repairs	131,679	92,673	8,990,332
Skins	111,831	71,712	350,728

Coming after those are a long list of other products, smaller in value but some of them showing important growth; silk thread and silk stockings, all kinds of iron and steel goods, special types of cement, paints and varnishes, wallpaper, rope, brushes and packing, agricultural and mining machinery, all kinds of electrical apparatus, scientific apparatus and tools.

Bigger Effort Needed To Get Tourist Trade

The tourist business has become a war business. Growing need for foreign exchange to meet wartime demands have made it a vital phase of Canada's war effort.

It is now generally realized that a greater volume of tourist traffic into Canada is urgently needed, to strengthen the war exchange resources of Canada and the Empire. This is emphasized by Canada's present position in international trade and exchange.

A still bigger effort by Canadians themselves is regarded as essential to promote this increased business. The reduced return from 1940 tourist trade did not go nearly far enough toward offsetting Canada's adverse balance of payments with the U. S.

This is seen as a challenge to all Canadians to increase tourist spending in the Dominion by every means at their command. A broader, more intensified effort along this line by official bodies, business interests, community groups and citizens generally, is believed to be needed to make the campaign effective.

As was pointed out by one analyst of the problem:

"The travel business is a war business. And war business is the people's business. There can be no more useful way of promoting the cause of victory than to induce our friends to the south to travel in this country."

Four-Point Programme

Four main phases are essential if the enlarged tourist appeal programme is to be effective, The Financial Post is told by competent authorities well versed in the problems of Canada's travel trade. This four-point programme may be broadly outlined as follows:

1. It is necessary to use tested, proved sales methods.

A great deal of the tourist effort in Canada hitherto is regarded as "a stay-at-home" effort rather than a promotion campaign in the field to bring immediate, concrete results. It is pointed out that travel agencies know what sells certain routes, hotels, areas or vacation lands. The advice and co-operation of experienced travel salesmen is deemed a valuable aid in the planning of tourist promotion campaigns.

2. The tourist effort should be a community effort, backed by all groups and citizens in a broad and concerted travel sales plan. Every Canadian should regard himself as a "good host," responsible not only for urging visitors to come to Canada but to make them feel happy and at home while up here.

The operations of the Dominion and provincial travel bureaus, it is stressed, must be supplemented by other interests and groups and by citizens as a whole. Valuable work along this line was done in 1940, it is recalled, by the Voluntary Tourist Committee in Toronto, the Young Men's Board of Trade in Winnipeg, and similar groups of enthusiastic businessmen. In addition thousands of Canadians, through personal contact, business connections, letter writing and other means did what they could to bring U.S. visitors into this country.

"Character Merchandise"

3. Spending of visitors after they come to Canada should be increased by putting more emphasis on production of merchandise of distinctively Canadian style and workmanship. This applies not only to handicraft workers, but also to Canadian plants and factories. The latter could, instead of aping foreign designs, use Canadian artists and designers to produce "character merchandise" bearing the trade mark of Canada in its very nature.

British goods also can be offered to American visitors on more attractive terms than ever before.

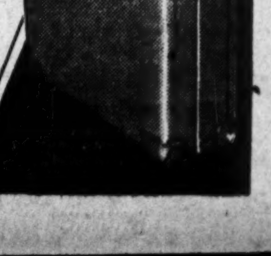
4. Regular plans should be made to bring to Canada groups of editors, publishers and writers, to see Canada's attractions and resources for themselves and exert an influence in bringing these to the attention of Americans generally.

Last year a group of editors of weeklies from New York state was brought to Canada. They went home and did a magnificent job telling their readers about Canada's war effort and how easy it was to enter and move about Canada.

Current estimates are that Canada last year ran behind over $300 millions in our trade balance with the U.S., and also required $295 millions to meet interest and dividend payments, freight charges, etc. Gold production covered about $205 millions of this gross obligation of $595 millions, while the net return to Canada of the tourist trade wrote off more than $100 millions of the remainder.

This left an apparent deficit of about $290 millions. This must be met in large measure by diversion of gold, American dollars and other assets to Canada by the United Kingdom, to meet Canada's large favorable balance of trade with the Old Country. In view of the vital need of Britain for foreign exchange for war needs, it is deemed all the more necessary to bolster Canada's own resources of U. S. dollars by expanding the tourist traffic.

Obtaining more tourist dollars to balance accounts with the U.S. is regarded as a far more desirable method than the mining of gold, which is a wasting asset, or possible borrowing in the U.S., which would only add to Canada's foreign long term debts.



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NYMARK'S LODGE AT FOOT OF HILL 70
Laurentian Mts. . . . north of Montreal . . . modern, spacious log chalet . . . foot of "Hill 70" . . . 4 ski-tows, trails, open slopes. Restricted clientele.
Write — booklet, rates,
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SKI . . . in the Laurentians, 55 miles north of Montreal, 5 minutes from C.P.R. station . . . ski trails, open slopes, ski school, ski tow . . . 40 rooms with running water . . . private baths, central heating system—a real homey atmosphere. Write for booklet — rates,
LA SAPINIERE, Val David, Que.

CHANTECLER
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In the centre of the Laurentians, north of Montreal . . . this new and colorful resort hotel . . . ultra-modern . . . early Canadian architecture . . . private baths . . . sprinkler fire protection system . . . tastefully appointed.
High in elevation . . . 2 ski-tows nearby . . . abundant open hills and practice slopes beside hotel . . . official ski school . . . long down-hill runs . . . night skiing by floodlights . . . other winter activities.
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Manoir PINOTEAU
At the Foot of Mont Tremblant
SKI . . . at Canada's top-notch winter sports centre—in the Laurentians . . . scene of the annual Kandahar Ski Race . . . close to overhead chair ski-lift . . . a terrain marked with famous trails, long down-hill runs, "open" and "wooded" slopes.
Fully modern resort . . . all rooms with or without private bath . . . delicious cuisine . . . reasonable rates.
Write booklet, rates,
MANOIR PINOTEAU, Lac Tremblant, Que.

The ALPINE Inn
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WELCOME TO LA PROVINCE DE QUÉBEC
WINTER SPORTS PARADISE

THE WEEK'S QUOTATIONS

Toronto and Montreal Exchange

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING JANUARY 6

Range 1940 High	Low	Div. Jan. 4 R'te $	Y'ld %	Stock	Sales	Last Dec. 28	Week end. Jan. 6 H	L	Cl'se
				A					
2.50	.50	.	...	Abitibi	1262	.75	.90	.70	.90
17½	2	.	...	Do. pref. 6%	1600	7	8	6½	7½
33	5½	.	...	Do. pref. 7%	10	10	12½	12½	12½
6	3	.	...	Acme Glove	....	(2 bid — asked)			
87	45	6.50	...	Do. pref.	....	(48 bid 50 asked)			
12½	9	80+20c	9.1	Agnew Surp.	10	11½	11	11	11
110	105	7	6.5	Do. pref.	....	107 bid 108½ asked			
3.00	.75	.	...	Alta. Pac. Gr.	35	1.00	1.50	1.25	1.50
36	20	.	...	Do. pref.	33	27	29	25½	26
16⅞	7	.	...	Algoma Steel	185	9	10	9½	10
100	81	‡2.50	...	Do. pref.	10	89	92	92	92
145	80	6+2	6.9	Aluminum	290	114½	115	114	114
125	100½	6	4.8	Do. pref	....	(122 bid — asked)			
6½	5	25c	...	Amal. Electric	....	(5 bid 9 asked)			
43	34½	*60c	1.7	Amer. Cyn. B.	....	(34½ July 16)			
49⅞	43½	2.75	6	Ang. Can. Tel p	....	(46½ bid 48 asked)			
26½	14	60+60c	8	Asbestos	859	14½	15½	14½	15½
19½	12½	1.35	8.7	Assoc. Brew.	15	15½	15½	15½	15½
112½	109	7	6.4	Do. pref.	4	109½	108½	108½	108½
•2	2	.	...	Assoc T. & T.A.	....	(— bid — asked)			
24	24	48c	...	Do. pref.	25	..	24	24	24
103	101	5.50	5.3	Ault & Wiborg	....	(100 bid — asked)			
				B					
164	137	8	5.5	Bk. Can. Nat.	2	145	146	146	146
212	170	8	4.1	Bk. Montreal	56	193	195	189	193
315	269	12	4.2	Bk. N. Scotia	22	282	281	277	281
268	200	10	4.1	Bk. Toronto	10	242	247	245	247
•5	4½	.	...	Barcelona	....	(— bid — asked)			
6½	2	.	...	Barker's Bread	....	(— bid 2 asked)			
28	19	2.50	9.2	Do. pref.	....	(24 bid — asked)			
15⅞	6½	1	...	Bathurst Pr.	640	12½	13	12½	12½
5	1½	.	...	Do. (B)	22	2½	2½	2½	2½
1.75	.05	.	...	Bawlf Grain	....	(— bid .10 asked)			
47	25	.	...	Do. pref.	20	46	48	47	48
5	3	.	...	Beath & Sons	....	(2½ bid 4 asked)			
6	3	.	...	Beatty Bros.	60	6	6	6	6
102	90	6	5.9	Do. pref.	5	101	101½	101½	101½
90	88	7	7.9	Do. 2nd pref.	....	(85 bid 90 asked)			
10½	9	.	...	Beauharnois	103	9½	9½	9	9½
97	80	4	5	Belding Cort.	....	(— bid 90 asked)			
150	124½	7	5.6	Do. pref.	10	125	125	125	125
169	130	8	5	Bell Telephone	287	160	160½	158	159
12	8	60+15c	...	Biltmore Hats	....	(8½ bid 9½ asked)			
9½	5	.	...	Blue Ribbon	....	(5½ bid 7 asked)			
42	34	2.50	6.7	Do. pref.	....	(36 bid 37½ asked)			
21	19	1.30	6.1	Brant. Cord. pf.	....	(20⅞ bid 22 asked)			
10⅞	3⅞	.	...	Brazilian Tr.	7262	6⅞	7½	6½	7
5½	3	50+25c	...	Brew. & Distil.	10	5½	5½	5½	5½
6½	4	30c	7.5	Bright, T. G.	....	(6½ bid — asked)			
90	89	6	6.7	Do. pref.	....	(90 bid — asked)			
23⅞	14⅞	1	5.7	Brit. Amer. Oil	2134	17½	17⅞	17½	17½
19⅞	9	.	...	B. C. Packers	....	(12½ bid 13 asked)			
30	23	2	7.7	B. C. Power A.	32	27½	26	26	26
3½	1	.	...	Do. (B)	....	(1½ bid 2 asked)			
7	4½	.	...	Bruck S. Mills	595†	5	5½	5	5½
17½	12	70+10c	5½	Building Prod.	85	15	14½	14	14½
14	6½	60c	5.8	Burlington St'l.	115	10½	10⅞	10½	10⅞
				C					
70	70	.	...	Calgary Power	....	(— bid 70 asked)			
101½	90	6	5.9	Do. pref.	....	101½ bid 104½ asked			
5½	1½	.	...	Canada Bread	25	3	2½	2½	2½
105	90	5	5	Do. pref.	....	(97½ bid 100 asked)			
58	35	2.50+37½c▲	6	Do. pf. B.	....	(38½ bid 40 asked)			
6	3½	40c	...	Canada Bud	....	(4½ bid 4⅞ asked)			
8½	3	.	...	Canada Cement	2117	6	6⅞	6	6⅞
101	75	5	5	Do. pref.	380	99	100	94	100
4½	4½	.	...	Can. Cr. Stone	....	(4½ bid — asked)			
106	102	5	4.9	Canada Cycle p	....	102½ bid 106 asked			
35	24	1.50	5.6	C. & D. Sugar	420	27	27	27	27
23	11	1.50	9.1	Can. Forg. (A)	40	18	16⅞	16⅞	16⅞
22	13	1.50	8.8	Do. (B)	....	(15 bid — asked)			
40	25	‡4.50	...	Can. Iron	....	(31 bid — asked)			
75	65	‡7	...	Do. pref.	....	(70 bid — asked)			
390	390	20	5.1	Canada Life	....	(380 bid — asked)			
4	1	.	...	Can. Mach'y	....	(3⅞ bid — asked)			
32	25	3.50	...	Do. pref.	....	(38 bid — asked)			
40	29⅞	2+50c	6.6	Can. Malting	128	37⅞	38	36½	38
18	8⅞	‡1.13	...	Can. Nor. Pr.	192	9	8⅞	8⅞	8⅞
111½	90	7	7.3	Do. pref.	130	97½	95½	95½	95½
104⅞	65	3+1	4.6	Can. Packers	40	87½	87½	87½	87½
.25	.25	.	...	Can. Paving. p.	....	(— bid .25 asked)			
150	117	8	6	Can. Perman.	21	134½	135	133	134
7	6½	‡1	...	Can. Starch	....	(7½ bid 8 asked)			
110	109	7	6.4	Do. pref.	....	(110 bid — asked)			
8½	2	.	...	Can. Steamsh's.	987	4½	4⅞	4	4⅞
21⅞	9½	‡62½c	...	Do. pref.	1525	19½	19⅞	19	19⅞
15½	5	‡60c	...	Can. Vinegars	20	8	8	7⅞	7⅞
65	40½	4	6.5	Can. W. Cable	....	(58½ bid 60 asked)			
24	14	‡1.25	6.2	Do. (B)	....	(19⅞ bid 24 asked)			
108⅞	105	6.50	6.1	Do. pref.	....	(102 bid 107 asked)			
3	1	.	...	Can. Bakeries	....	(1 bid 1½ asked)			
64	30	‡3	...	Do. pref.	....	(25 bid 39 asked)			
178	135	8	4.9	Can. Bk. Com.	79	167	164⅞	161	161
2.75	.90	.	...	Can. Breweries	200	1.00	1.00	1.00	1.00
31⅞	21⅞	3	...	Do. pref.	50	24	24⅞	24	24½
45	29	1.50+50c	5	Can. Bronze	15	36	36	36	36
107	102	5	4.8	Do. pref.	....	(105 bid 112 asked)			
10⅞	6	‡37½c	...	Can. Canners	....	(6 bid 6½ asked)			
22½	17	‡1+15c■	6	Do. 1st pfd.	135	19½	20	19⅞	20
14	7⅞	‡60+15c■	7	Do. 2nd pfd.	385	10	10	9⅞	10
16⅞	5⅞	.	...	Can. Car & F'y	2009	8½	10	8½	9½
29	12⅞	.	...	Do. pref.	530	20⅞	24	20⅞	23⅞
37⅞	20	1+90c	...	Can. Celanese	145	28½	29	28	28½
129	104	7+1.16■	...	Do. pref.	50	123½	124	124	124
22	20	1	4.5	Do. Rights	....	(22 bid — asked)			
19½	14	1	...	Can. Convert.	5	18	17½	17½	17½
120	93	4+2	6.4	Can. Cottons	6	98	93	93	93
118	99½	6	5.7	Do. pref.	1	105	105	105	105
32	9½	1.50	8	Can. Dredge	682	16	20⅞	17⅞	20½
101	100	6	6	Can. Fairb. pf.	....	(98½ bid — asked)			
14⅞	5	1.40	...	Can. For. Inv.	15	10	9	9	9
104½	98	8	7.6	Do. pref.	....	104 bid 104½ asked			
240	195	8	3.9	Can. Gen. Elec.	....	(205 bid 220 asked)			
9½	5	50c	...	Can. G. Inv.	....	(7⅞ bid — asked)			
3.62	1.50	15c	...	Can. Ind. Alc.	2790	1.50	3.00	2.25	2.52
3.12	1.00	15c	...	Do. (B)	55	1.65	2.75	2.75	2.75
235	175	7	3.3	Can. Indust. B.	298	..	208	205	207
176	150	7	4	Do. pref.	30	177	176	174½	176
.30	.10	.	...	Can. Int. I. Tr.	....	(.25 bid .50 asked)			
50	25	2	4.4	Do. pref.	35	45	50	45	45
18½	12	1	6.7	Can. Lt. & Pr.	....	(10 bid 15 asked)			
20	6	.	...	Can. Locomo.	35	9	9	9	9
1.40	.65	4c	...	Can. Marconi	150	.90	.90	.85	.85
21½	11	50+50c	5½	Can. Oil	....	(16 bid 18 asked)			
123	109½	8	6.7	Do. pref.	15	120	118	118	118
8½	4	.	...	Can. Pacific	3562	5½	5⅞	5½	5⅞
1.50	.25	.	...	C. Pr. & Pa. In.	60	.50	.50	.50	.50
5	2	.	...	Do. pref.	100	2½	2½	2½	2½
8½	2	.	...	Can. Vickers	30	3⅞	3½	3	3
33	7⅞	.	...	Do. pref.	25	16	13½	13	13
13½	9½	1	...	C. Wallpaper A.	..	(8 bid 10 asked)			
13	7	1	...	Do. (B)	10	9	8	8	8
52½	39	‡1.50	...	Can. West'ho'se	40	46	42	42	42
5½	3	25c	...	Can. Wineries	....	(3⅞ bid 4½ asked)			
22	13½	1.50	7.3	Can. Wire Box	85	20½	20½	20½	20½
1.75	1.00	.	...	Capital Estates	600	1.10	1.25	1.25	1.25
119	114	5	4.2	Carnation, pfd.	....	(118 bid — asked)			
18	8½	50c	5.3	Catelli Food	....	(9½ bid 10 asked)			
14½	10	75c	7.5	Do. pref.	....	(9⅞ bid 14 asked)			
37½	37½	1	...	Celanese of A c	....	(— bid — asked)			
2.25	1.50	.	...	Celtic Knit	....	1.60 bid 3.00 asked			
160	160	8	5	Cent. Can. L'n	....	(— bid 160 asked)			
102	95	4+1	5.3	Chart. Trust	....	(75 bid 95 asked)			
.54	.10	.	...	Chem. Research	2500	.20	.20	.19	.20
.20	.05	.	...	City Gas & El.	....	(.30 bid .35 asked)			
.15	.03	.	...	Claude Neon	....	(.10 bid .20 asked)			
1.42	1.00	12c	...	Coast Brew.	1000	1.35	1.35	1.35	1.35
9½	3½	.	...	Cockshutt Plow	225	5	6½	5	5⅞
3.50	1.15	10c	...	Comm. Alcohol	230	1.75	1.90	1.65	1.90
7	5	40c	6.6	Do. pref.	....	(5 bid 6 asked)			
4	3½	‡40c	...	Conduits Nat.	....	(2½ bid 5 asked)			
19	12½	1+25c	9	Cons. Bakeries	85	13	14	13½	14
.10	.05	.	...	Cons. Div. Sec.	....	(.01 bid .08 asked)			
11	6½	75c	...	Do. pref.	....	(7½ bid 14 asked)			
8½	3	.	...	Cons. Paper	2905	4	4	3½	4
10	3½	.	...	Cons. Press	20	4	4	4	4
75	55	‡4.75	...	Cons. Sand, pf.	....	(75 bid 90 asked)			
49	28½	1+1.25	5.9	Cons. Smelters	684	38	39	37½	38
178	140	10	6.9	Consumers' Gas	153	143½	145	142	142
68	40	‡1.75	...	Corr. P. Box, p	....	(— bid 40 asked)			
31½	19⅞	1.20	5	Cosmos Imp.	....	(24 bid 25 asked)			
32	21	2	7.2	Crown Cork	....	(28 bid 29 asked)			
3	1½	.	...	Crown Dom. Oil	....	(1½ bid — asked)			
35	27	3	9.7	Crow's N. Coal	3	31	31	31	31
3.75	.70	.	...	Cub Aircraft	400	1.15	1.10	1.00	1.05
				D, E					
19	9⅞	1+10c	10	David & Fre. A	....	(10½ bid 13 asked)			
3⅞	1	.	...	Do. (B)	....	(1½ bid 2⅞ asked)			
17	6½	.	...	de Havilland	....	(— bid 11½ asked)			
92	75	7	...	Do. pref.	....	(— bid — asked)			
3⅞	1½	.	...	Disher Steel	....	(1½ bid 2 asked)			
15½	10	▲1.50	...	Do. pref.	....	(10 bid 16 asked)			
29	18½	2.22	7.2	Distill-Seagram	2050	28½	28½	26½	26½
97½	80	5	5.3	Do. pref.	....	(93 bid 97½ asked)			
39⅞	39⅞	1	...	Dom. Ang. Inv.	....	(30 bid — asked)			
70	70	5	7.2	Do. pref.	....	(65 bid 70 asked)			
210	150	10	5.1	Dom. Bank	116	195	195	195	195
40	22	1.20	4.4	Dom. Bridge	113	26	26⅞	26	26
22½	16	1.50	7.5	Dom. Coal, pf.	270	20	26	20	26
44	20	.	...	Dom. Engineer.	....	(10 bid 30 asked)			
36½	19	1	4.3	Dom. Foundries	160	22½	23½	22⅞	23½
110	103½	6	5.7	Do. pref.	....	(105 bid 110 asked)			
129	113	5	3.9	Dom. Glass	....	(— bid 126½ asked)			
156	135	7	4.8	Do. pref.	....	(148 bid — asked)			
35	29	1.20+40	5.3	Dom. Oilcloth	....	(29 bid 30½ asked)			
1.50	1.00	.	...	Dom. Scot. Inv.	....	(.45 bid .90 asked)			
31	24½	‡2.25	...	Do. pref.	....	(25 bid 27 asked)			
4⅞	1	.	...	Dom. Square	....	(1½ bid 2½ asked)			
15⅞	6½	.	...	Dom. St. & C.B.	1196	9⅞	9⅞	8	9⅞
6½	3	.	...	Dom. Stores	202	5	5½	5	5
8½	3	.	...	Dom. Tar & Ch.	975	4½	4½	4⅞	4½
90	75	5.50	6.3	Do. pref.	30	87	87	86½	86½
90½	70	5	6	Dom. Textile	44	83	83	82	82
155	140	7	4.8	Do. pref.	2	145	145	145	145
3⅞	1	.	...	Dom. Woollens	3	1½	2	2	2
9½	3	60c	...	Do. pref.	230	7⅞	7⅞	7⅞	7⅞
10	3½	.	...	Donnacona P.A.	422	4½	4⅞	4½	4⅞
9½	3	.	...	Do. (B)	40	4½	4⅞	4⅞	4⅞
11⅞	4	.	...	Dryden Paper	135	5½	5½	5½	5½
•1.00	.30	.	...	East Koot. Pr.	....	(— bid — asked)			
7	5	.	...	Do. pref.	....	(7 bid 10 asked)			
1.00	.50	.	...	East Dairies	....	(— bid 1.00 asked)			
11½	3	.	...	Do. pref.	....	(8½ bid 10 asked)			
18½	8	1	7.7	East Steel	40	13	13½	13	13
6½	6½	.	...	East. Theat.	4	..	6½	6½	6½
4½	2⅞	.	...	Easy Washing	....	(2⅞ bid 3½ asked)			
29½	16	1.75	...	Economic Inv.	....	(22 bid 24 asked)			
12	6⅞	‡1.10	...	Electrolux	....	(7½ bid 9 asked)			
5½	2	.	...	Enam. & Heat.	....	(3 bid 4 asked)			
34	21	2.50	9	English Electric	....	(28 bid 29 asked)			
6	1½	.	...	Do. (B)	....	(4½ bid 5 asked)			
6	3½	15c	...	Equitable Life	31	5½	5	5	5
				F, G					
6½	2	.	...	Fairchild Air	85	3	3	3	3
24	18	1	4.5	Fam. Players	....	(20 bid 22 asked)			
30	20½	1.50+25c	6	Fanny Farmer	310	27½	27½	27½	27½
10½	3½	.	...	Fleet Aircraft	285	5½	5⅞	5½	5½
1.50	.75	.	...	Fleury Bissell	....	(— bid .75 asked)			
27	17	.	...	Do. pref.	....	(15 bid 17 asked)			
22⅞	13½	1	6.5	Ford Motor A.	6014	14⅞	15½	14½	15
21½	14	1	6.7	Do. (B)	99	16½	15	15	15
.20	.05	.	...	For. Pr. Secs.	....	(.15 bid — asked)			
15⅞	6	‡50c	...	Foundation Co.	155	13	12½	12½	12½
20	6	.	...	Fraser Cos.	..	(8 bid 9½ asked)			
21⅞	7½	.	...	Do. Vot Tr.	645	10	10½	9⅞	10
.50	.50	.	...	Freiman	....	(— bid — asked)			
41	25	.	...	Do. pref.	10	41	42	42	42
16½	9	80c	8.8	Gatineau Pwr.	157	9⅞	9⅞	9½	9⅞
97	79	5	5.6	Do. pref.	76	89	90	89	90
105½	90	5.50	5.7	Do. 5½% pref.	6	96	95½	95½	95½
6	1½	.	...	Do. Rights	10	1½	1½	1½	1½
10⅞	4½	.	...	Gen. St. Wares	210	6	6½	5½	5½
96½	77	7+76c	...	Do. pref.	40	94	94	93⅞	93⅞
87	58	2.50+2.50	6	Goodyear Tire	230	80	80	77	79
57½	51	2.50	4.7	Do. pref.	81	53⅞	54	53	53½
•50	50	‡7	...	Gould Pumps, p	....	(— bid — asked)			
8	4	.	...	Gt. Lakes Pap.	....	(2½ bid 7 asked)			
29	18½	‡1.25	...	Do. pref.	....	(20 bid 27 asked)			
8	2	.	...	Do. Vot. tr. c	104	3½	3½	3½	3½
27½	13	‡1.25	...	Do. Vot. tr. p	164	18	18½	18	18
3½	1½	.	...	Gt. W. Saddlery	....	(2 bid 3 asked)			
35	24	‡3	...	Do. pref.	....	(29½ bid 35 asked)			
14⅞	11	60c	5.1	Greening Wire	....	(10⅞ bid 12½ asked)			
1.25	1.25	10c	...	Growers' Wine	....	(— bid — asked)			
10½	4	.	...	Gurd, Chas.	500	4½	5	5	5
107½	106½	7	6.5	Do. pref.	....	(— bid 108 asked)			
5½	2½	.	...	Gypsum, Lime	125	3½	3½	3½	3½
				H, I					
21½	21½	1	4.7	Halifax Fire	....	(17 bid 17⅞ asked)			
8½	2½	.	...	Ham. Bridge	130	4½	5	4½	4½
39	34	2+1.25▲	5½	Ham. Cot., pf.	5	39	34½	34½	34½
2.50	.50	.	...	Ham. U. Theat.	....	(.50 bid 1.00 asked)			
75	50	‡5.50	...	Do. pref.	16	61	65	65	65
4⅞	2⅞	20c+10c	...	Harding Carpet	150	3½	3½	3½	3½
.25	.25	.	...	Hillcrest Coll.	....	(.10 bid 1.00 asked)			
4	2	.	...	Do. pref.	....	(2½ bid 4 asked)			
16	7½	50c	4.8	Hinde & Dauch	100	10⅞	10⅞	10⅞	10⅞
•20	20	.	...	Holt Renfrew	....	(— bid 14 asked)			
40	20	.	...	Do. pref.	....	(17 bid — asked)			
25	15	1	5.9	Honey Dew	25	16	17	17	17
23½	11½	.	...	H. Smith Pap.	65	14	14½	14	14½
106	85	6	6.1	Do. pref.	20	101	98½	98½	98½
17	10½	1	5.6	Humberstone S.	20	17	18	18	18
11	4	.	...	Hunts (A)	....	(4½ bid 5½ asked)			
10⅞	5	.	...	Do. (B)	15	6	5	5	5
74½	53	4	7.4	Huron & E. Mt.	....	(54 bid 55 asked)			
13	8	80c	...	Do. 20% pd.	....	(— bid 9 asked)			
2⅞	2½	20c	...	Hydro Electric	....	(⅞ bid — asked)			
220	150	10	4.9	Imperial Bank	58	202	205	205	205
15⅞	8½	‡50+12½c	6½	Imperial Oil	2165	9½	9⅞	8⅞	9⅞
16½	12	40+22½c	4	Imperial Tob.	760	13½	14	13½	14
8	6½	6%	4.2	Do. pref.	10	7½	7	7	7
29	15⅞	2	12.7	Indust. Accept.	40	16	15⅞	15⅞	15⅞
36	25	3	...	Inter-City Bak.	....	(20 bid 33 asked)			
51	50	6+1	...	Inter'c Coal	....	(50 bid — asked)			
120	120	8	6.7	Do. pref.	....	(120 bid — asked)			
23	14	1.50	9.4	Inter. Bronze	....	(16 bid — asked)			
28½	19⅞	1.50	6.4	Do. pref.	20	24	23½	23½	23½
.30	.30	3c	...	Int. Coal & C.	....	(.25 bid .40 asked)			
15½	5	.	...	Int. Metal Ind.	75	10	9⅞	9½	9½
114	90	6+12▲	5.8	Do. pref.	....	(103 bid 105 asked)			
113½	85	6+12▲	5.9	Do. pref. A.	....	101½ bid 112 asked			
116	111⅞	5	4.3	Int. Mill., pf.	....	(114 bid — asked)			
47	27	2	5.7	Int. Nickel	1541	34	34⅞	34½	34⅞
3½	1	.	...	Int. Paints	....	(2 bid 3 asked)			
18	11	1+25c▲	...	Do. pref.	....	(13½ bid 20 asked)			
23⅞	12	.	...	Int. Pap. & P.	10	17½	16½	16	16
81	47	5+1.25▲	6½	Do. pref.	560	74	74⅞	73½	74⅞
24	12½	‡1.25	9	Int. Pete.	611	14½	14½	14	14½
6	2	.	...	Int. Power	....	(3 bid 3½ asked)			
96	69	‡6.25	...	Do. pref.	11	87½	88	88	88
•11⅞	10½	.	...	Int. St. Rlty. A.	....	(— bid 10 asked)			
•4	3⅞	.	...	Do. (B)	....	(— bid 4 asked)			
11½	4½	.	...	Int. Util. (A)	....	(5⅞ bid 9½ asked)			
.65	.15	.	...	Do. (B)	1100	.20	.20	.15	.15
				J, K, L					
14½	12	68c	...	Jam. Pub. Ser.	....	(11 bid 13½ asked)			
135	128	7	5.5	Do. pref.	....	(— bid 129 asked)			
9½	5	1	...	Kelvinator	....	(8½ bid 9 asked)			
28	9	.	...	L. St. John Pr.	1	12	10	10	10
2.50	.65	.	...	Lake Sulphite	200	1.25	1.00	.85	.85
27	14	1	6.2	Lake of Woods	25	16	16	16	16
128	110	7	6.2	Do. pref.	....	(112 bid — asked)			
55	48⅞	4	7.7	Landed Bank	....	(48 bid 55 asked)			
17	10	70+30c	...	Lang, J. A.	....	(10½ bid 14½ asked)			
•3½	2½	.	...	Langley's	....	(— bid 1⅞ asked)			
27	13	.	...	Do. pref.	....	(13 bid 17 asked)			
13½	9	80c	7.6	Laura Secord	1220	10½	10⅞	10½	10½
9½	2	.	...	Legare, pref.	40	6	7	6½	7
3	3	15c	...	Levy Bros.	....	(3 bid — asked)			
5½	2	.	...	Lindsay, C. W.	....	(4½ bid 4½ asked)			
55	25	.	...	Do. pref.	....	(48 bid — asked)			
28½	20	1+25c	4.6	Loblaw (A)	558	26⅞	27	26⅞	27
27	20	1+25c	4.8	Do. (B)	25	25½	25⅞	25⅞	25⅞
				M					
1.05	.10	.	...	Mackenzie Air.	610	1.00	1.00	1.00	1.00
2½	2½	.	...	MacKin. Steel	32	2½	2	2	2
59	55	‡2.12½	...	Do. pref.	55	55	55	55	55
22	9	.	...	Maclaren Pr. p.	2500	15½	16	15½	15½
10	6	.	...	M. L. Gardens	14	6	8	8	8
7½	4	70c	...	Do. pref.	72	7½	7	7	7
5⅞	1½	.	...	Maple Leaf M.	1088	2½	2⅞	2½	2⅞
9½	3	.	...	Do. pref.	14	4	4	3½	4
17½	15	70+10c	...	Maritime Tele.	....	(16½ bid — asked)			
17½	16	70c	4.4	Do. pref.	....	(16⅞ bid — asked)			
15	12	.	...	Marcus Loew's.	....	(14⅞ bid — asked)			
•100	100	7+7▲	...	Do. pref.	....	(— bid — asked)			
6⅞	2½	.	...	Massey-Harris	1685	3	3½	3	3½
59½	25	.	...	Do. pref.	175	30	30½	29	30½
9½	4	.	...	McColl Fron.	285	4⅞	5	4½	4⅞
101½	80	6	6.2	Do. pref.	18	95½	96	95	95
1.65	.75	.	...	Melchers	....	1.00 bid 1.75 asked			
6⅞	3½	30c	...	Do. pref.	....	(5½ bid 5½ asked)			
•1½	1½	.	...	Mercantile Tran	....	(1½ bid — asked)			
•5	5	6%	...	Do. pref.	....	(4⅞ bid — asked)			
12½	5	.	...	Mercury Mills	....	(7 bid 8 asked)			
47	43	2	4.2	Mitchell, J. S.	....	(— bid 50 asked)			
112	110	7	6.2	Do. pref.	....	(112 bid — asked)			
15½	5⅞	50c	...	Mitchell, Robt.	85	9	9½	9	9
20	12½	80+40c	7	Mod. Contain.	45	16	16	16	16
99½	93	5.50	5.7	Do. pref.	....	(— bid 100 asked)			
6	2	.	...	Monarch Knit.	....	(— bid — asked)			
70	60	7	...	Do. pref.	....	(60 bid 75 asked)			
81	55	4	6.5	Montreal Cot.	26	60½	63	61	63
120	107	7	6.4	Do. pref.	1	116	110	110	110
.25	.10	.	...	Mont. Is. Pr.	....	(.25 bid .50 asked)			
31⅞	25	1.50	5.2	Mont. L. & Pr.	1245	29½	29½	28⅞	28⅞
50	46½	.	...	Do. Notes	20	49⅞	49⅞	49⅞	49⅞
15	15	‡1.62½	...	Montreal Loan	....	(15 bid — asked)			
.85	.16	.	...	Mtl. Refr. & S.	20	.50	.50	.50	.50
10½	6	1.25	...	Do. pref.	14	10	10	10	10
45	38	3.20	8.4	Montreal Tele.	....	(— bid 38 asked)			
59½	39	6	11.5	Montreal Tarms	20	52	52	52	52
48	34½	‡1.70+60c	5	Moore Corp.	618	46½	47½	46½	47½
189	144	7	3.7	Do. pref. (A)	240	186	188	185	188
282	210	7	2.5	Do. pref. (B)	....	(280 bid — asked)			
.05	.05	.	...	Muirheads	....	(.05 bid .15 asked)			
1	1	.	...	Do. pref.	....	(— bid — asked)			
				N, O					
38	25	2	7.5	Nat. Breweries	670	28	27½	26	26½
42	32	1.75	4.6	Do. pref.	170	38½	38⅞	38	38½
8½	4	.	...	Nat. Grocers	28	4⅞	5	4	5
26½	22	1.50	6	Do. pref.	50	24⅞	24⅞	24⅞	24⅞
10½	6⅞	.	...	N. Sew. Pipe A	....	(7½ bid 10 asked)			
69	34	2	5.3	Nat. Steel Car.	45	38	39	38	38
193	160	8	5	National Tr.	....	(135 bid 165 asked)			
9½	9½	35c	...	Neon Prod.	....	(— bid — asked)			
32½	20	2	7.8	Niag. W. Weav	110	26	25½	25	25
6½	3	.	...	Noorduyn Av.	25	3½	2½	2½	2½
1.30	.60	.	...	North Star Oil	155	.90	.90	.80	.80
4½	3½	35c	...	Do. pref.	50	3½	3⅞	3⅞	3⅞
93	85	6	7	N. S. L. & Pr.	....	(85 bid — asked)			
107½	100	6	5.7	Do. pref.	....	(105 bid — asked)			
33½	20	1	4.8	Ogilvie Flour	208	22	22	20½	21
162	140	7	4.7	Do. pref.	....	(150 bid — asked)			
112	106	5	4.6	Ontario Loan	....	105⅞ bid 107⅞ asked			
5½	2	.	...	Ont. Silknit	....	(— bid 5 asked)			
35	19	.	...	Do. pref.	25	32	35	35	35
6	3	.	...	Do. Script	10	6	7	7	7
12	5	1	...	Ont. Steel	25	9	10	10	10
115	110	7	6.1	Do. pref.	....	(— bid 120 asked)			
4⅞	1	.	...	Orange Crush	....	(1½ bid 1⅞ asked)			
9½	5	70c	...	Do. pref.	....	(5½ bid 8 asked)			
13⅞	6⅞	40c	4.4	Ott. Car Air	....	(— bid 6⅞ asked)			
16⅞	7½	1.20	7.4	Ottawa El. Rly.	....	(14 bid 16½ asked)			
16	9½	1	9.1	Ott. L. H. & Pr.	10	10½	11	11	11
103	90	5	5.1	Do. pref.	....	(— bid 99 asked)			
				P, Q, R					
21	18	3c	...	Pacific Coyle	....	(20 bid — asked)			
111½	89½	5+50c	5.3	Page Hersey	215	108	105	103⅞	104
6	3½	.	...	Pantepec Oil	....	(— bid — asked)			
40	30	2	5	Paton Mfg.	....	(25 bid — asked)			
115	115	7	6.1	Do. pref.	....	(108½ bid — asked)			
72	46	3	6	Penmans	13	50	50	50	50
135	117	6	4.9	Do. pref.	....	(121 bid 125 asked)			
24	14	1+50c	10	Photo Eng.	15	15	15	15	15
101	95	7	7.1	Porto Rico Pr p	10	99	96	96	96
11½	5½	60c	10.9	Power Corp.	385	5½	6	5½	5½
106½	89	6	6.4	Do. pref.	1	95	94	94	94
47	40	3	7.1	Do. 2nd pref.	....	(— bid 45 asked)			
12½	6	1	10.5	Pressed Metals	95	9½	9½	9½	9½
24	9	.	...	Price Bros.	345	12½	12½	12½	12½
80½	59½	5½+1.37½▲	...	Do. pref.	....	(68 bid — asked)			
7⅞	4	40c	5.9	Prov. Transport	155	6⅞	6⅞	6½	6⅞
17½	13	1	6.9	Quebec Power	187	14	14½	14½	14⅞
4⅞	4	.	...	Que. Telephone	30	4	4	4	4
30	24	2	8.3	Real Estate L'n.	....	(24 bid 28 asked)			
6	3	25c	...	Regent Knit	....	(4⅞ bid — asked)			
17	10	1.60	10	Do. pref.	....	(15⅞ bid 18 asked)			
10	3	.	...	Reliance Grain	....	(4½ bid 8 asked)			
66	64	6.50	...	Do. pref.	....	(60 bid — asked)			
28	16½	2	12.1	River S. Mill	10	16½	16½	16½	16½
3½	1	.	...	Rogers Majest.	3302	2	4	2	4
19½	12	75c	5.8	Rolland Pap.	....	(— bid — asked)			
19½	12	75c	5.8	Do. Vot Trust	....	(— bid 13 asked			
102½	85	6	6.3	Do. pref.	....	(94 bid 99 asked)			
190	145½	8	4.8	Royal Bank	51	168	168	165	165
18	15	80c	4.7	Russell Indust.	....	(15 bid 18 asked)			
190	135	7	4.7	Do. pref.	41	170	150	150	150
				S					
108	99	5.50	5.2	Saguenay Pr. p.	30	107½	107	106½	107
38	30	1.50+50	5	Sangamo	....	(34½ bid 38 asked)			
13½	4⅞	.	...	Sarnia Br. (A)	25	7	8	8	8
2⅞	1½	.	...	Do. (B)	15	1⅞	1½	1½	1½
24½	16	90c	5.4	Shawinigan Pr.	428	17⅞	17½	16½	17
15	7			Sher. Wms.	....	(11 bid 12 asked)			
126	112	7+5.25▲	6	Do. pref.	1	112	112	112	112
6⅞	3	.	...	Silverwoods	98	3⅞	4	4	4
7⅞	5	40+40c▲	...	Do. pref.	115	6½	6½	6½	6½
9	5½	60c	...	Simon & Son	....	(5½ bid 6½ asked)			
105	100	7	7	Do. pref.	10	100	105½	105½	105½
21½	10½	.	...	Simpson, A.	....	(10½ bid 14½ asked)			
12½	3	.	...	Do. (B)	105	6½	5	4½	5
105	79	6.50+1▲	6½	Do. pref.	56	99	100	99	99
130	126	6	4.8	Simpson, R., pf.	....	(132 bid 140 asked)			
15	9½	80c	7.8	So. Can. Pr.	35	10½	10½	10½	10½
112	92	6	5.6	Do. pref.	20	104	105	104	105
5⅞	2	.	...	St. Law. Corp.	350	2½	2⅞	2½	2⅞
21	10⅞	1+90c	6	Do. (A)	250	17	17	16½	17
30	17	1+50	7.2	St. Law. Flour.	....	(21 bid 23½ asked)			
125	110	7	6.4	Do. pref.	10	110	112	111	111
52½	20	2+2	4.9	St. Law. Pap. p	....	(40 bid 42 asked)			
14	7½	‡1.25	...	Stand. Chem.	....	(10½ bid 13 asked)			
3	1	.	...	Stand. Clay	....	(— bid 3½ asked)			
2.00	.25	.	...	St. Pav. & Mat.	145	.60	.65	.55	.65
6⅞	3	.	...	Do. pref.	140	3	3½	3	3½
28½	17	60+60c	6½	Stedman Bros.	6	21	19	17	19
86½	61½	1.75‡	5.3	Steel of Can.	435	72	70	67	67
83	62	1.75	2.4	Do. pref.	130	72	72	71	71
4	3	.	...	Sterling Coal	....	(3 bid 4 asked)			
.25	.25	.	...	Stop & Shop	....	(— bid .20 asked)			
12½	10	80c	8	Stuart, D.A. pf.	....	(— bid 14 asked)			
3½	2⅞	.	...	Supersilk H.A.	....	(— bid 2⅞ asked)			
4⅞	4	.	...	Do. (B)	....	(3 bid — asked)			
82	72	5	...	Do. pref.	....	(— bid 74 asked)			
34	26	1+50c	5.8	Sup. Pete. ord.	....	(25½ bid 30 asked)			
32	28	1+50c	4.7	Do. com.	....	(27 bid 32 asked)			
				T, U, V					
12	8⅞	80c	7.4	Tamblyn	105	11	10½	10½	10½
53	52½	2.50	4.8	Do. pref.	....	(52½ bid — asked)			
3	3	.	...	Thayers	....	(1½ bid 2½ asked)			
36	20	2.50	...	Do. pref.	....	(20 bid .35 asked)			
3.00	.20	.	...	Thrift Stores	....	(2 bid 3 asked)			
12	6	.	...	Do. pref.	....	(9 bid 11 asked)			
13½	9½	60c	6.2	Tip Top Tailors	30	9½	9⅞	9⅞	9⅞
110	100	7	6.7	Do. pref.	....	(106 bid 107 asked)			
3.00	.50	.	...	Tooke Bros.	....	(.50 bid — asked)			
12	5	.	...	Do. pref.	....	(9 bid 15 asked)			
32	16	1	4.5	Tor. Elevators	....	(21½ bid 23 asked)			
49½	37	2.62½	5.8	Do. pref.	....	(43 bid 48 asked)			
90	70	4	5.2	Tor. Gen. Tr.	18	76	76½	76½	76½
98	70½	5	6.7	Toronto Mtge.	....	(78 bid 85 asked)			
160	140	7	5	Tuckett Tob. p	....	(— bid 146 asked)			
2⅞	1½	.	...	Twin City	....	(1 bid 2 asked)			
28	28	.	...	Do. pref.	....	(— bid — asked)			
17	12	80+20c	7.2	Union Gas	486	13⅞	14½	13½	14
13½	12	80c	5.9	Un. Amuse. A.	....	(13 bid — asked)			
13½	11½	60c	6.2	Do. (B)	....	(13 bid — asked)			
•1.05	.90	.	...	Un. Cigar-W.	....	(— bid — asked)			
.85	.60	.	...	United Distill.	....	(.60 bid .80 asked)			
42	30	3	7.8	United Fuel, pf.	....	(38 bid 38½ asked)			
10	3	.	...	Do. B. pref.	35	6	6	6	6
5⅞	2½	.	...	United Secs.	....	(4⅞ bid 7 asked)			
6½	2⅞	.	...	United Steel	605	4	4	3⅞	3⅞
4½	1½	.	...	Viau Bisc.	....	(4 bid — asked)			
60	45	5	10	Do. pref.	....	(45 bid — asked)			
				W, Y, Z					
37	22	2	6.7	Wabasso Cot.	....	(— bid 29½ asked)			
47½	29½	4	6.5	Walker-Good'm	1422	46	48	45⅞	45⅞
20½	16	1	5	Do. pref.	525	20½	20½	20	20½
1.25	.50	5c	...	Walkerville Br.	....	(.70 bid — asked)			
135	120	7	5.4	W. Koot. Pr. pf.	....	(130 bid — asked)			
5	1½	.	...	West. C. Flour.	....	(1⅞ bid 1⅞ asked)			
47	21	.	...	Do. pref.	10	25	25½	25½	25½
62	40	3	6.5	West Grocers	10	45½	46	46	46
112	103	7	6.3	Do. pref.	....	(— bid 111 asked)			
11⅞	11⅞	50c	4.2	W'minster Pap.	....	(12 bid — asked)			
15	9½	80c	7.3	Weston Ltd.	146	11	11	10	10½
99	76	5	5.1	Do. pref.	35	97	98	98	98
24½	16	1	5.6	Wilsils	30	18	18	18	18
2.63	.50	.	...	Winnipeg El. A	352	.75	1.05	1.00	1.00
2.37	.50	.	...	Do. (B)	151	.95	1.00	.90	.90
12	5	.	...	Do. pref.	....	(6 bid 7½ asked)			
85	60	7	10.4	Wood, A. & J. p	....	(74 bid — asked)			
70	30	.	...	Woods Mfg., pf.	....	(45 bid — asked)			
11	5½	30c	...	York Knitting	....	(5½ bid 8½ asked)			
•100	100	7	7	Do. 1st pref.	....	(105 bid — asked)			
13	8½	.	...	Zellers	20	9	9	9	9
25	21	1.50	6.1	Do. pref.	....	(23½ bid — asked)			

Quotations: •1939. *1938.
▲ On account of arrears. ‡ Paid in 1940.
b New York quotations.
‡ Plus extra of $2 paid Feb. 1, 1940. ■ Participating.
†Interim.
*Plus stock div. of $1.50.

Mining Stocks

Week Ending January 6.

Par Val.	Range 1940 High	Low	Company	Sales	Close Dec. 28 (or last)	High for week	Low for week	Close Jan. 6
			A					
No	.38	.10	Aldermac	5,100	.15	.17	.15	.16
1	.06½	.01	Amm. Gold	7,500	.01	.01½	.01	.01½
No	3.00	1.40	Anglo-Huronian	200	2.75	2.75	2.75	2.75
No	.40	.25	Argus Interest	500	.30	.35	.35	.35
No	.03	.01	Arno	......	(.... bid .01½ asked)			
1	.17	.04	Arntfield	20,700	.07	.07½	.06½	.07
1	.07	.02	Ashley	2,000	.06½	.05½	.05½	.05½
1	.05	.02	Astoria Quebec	500	.04	.04½	.04½	.04½
1	2.68	.90	Aunor Gold	4,533	2.35	2.30	2.15	2.27
			B					
1	.18½	.02	Bagamac	12,075	.16	.16½	.15	.16
1	.28	.05	Bankfield	4,000	.08	.08	.07½	.08
No	.33	.07	Base Metals	2,600	.11	.10⅞	.09⅞	.10⅞
1	.15	.02½	Bear Exploration	30,650	.13	.15	.12	.13
1	1.26	.70	Beattie Gold	9,650	1.20	1.26	1.18	1.20
1	.13	.03½	Beaufor	1,000	.07	.07½	.07½	.07½
1	.80	.80	Berens River	......	(.60 bid 1.00 asked)			
1	.52½	.09	Bidgood Kirk.	92,300	.09½	.09½	.07½	.09
1	.14	.02	Big Missouri	......	(.05 bid .05½ asked)			
1	.11½	.03½	Bobjo	1,700	.06½	.07	.06½	.07
1	.04½	.02	Bouscadillac G.M.	......	(.02½ bid .03½ asked)			
No	11.25	7.25	Bralorne	395	10.50	10.37	10.12	10.25
1	.06	.01½	Brazil Gold	30,750	.02½	.03	.02	.03
1	.01⅞	.00½	Brett Trethewey	6,000	.00⅞	.00⅞	.00½	.00⅞
1	.99	.28	Broulan Porc.	23,049	.96	.98	.94	.94
1	8.70	2.75	Buffalo Ankerite	700	4.70	5.00	4.50	5.00
No	.04½	.01½	Buffalo Can.	8,500	.03	.03½	.03	.03
5	23.50	10.00	Bulolo Gold	880	17.12	17.50	17.50	17.50
No	.03½	.01	Bunker Hill	......	(.01½ bid .03 asked)			
			C					
No	.90	.30	Can. Malartic	1,400	.55	.50	.48	.48
1	2.67	1.65	Cariboo Gold	300	2.35	2.35	2.35	2.35
1	.02½	.01	Cartier Malartic	......	(.01 bid .02½ asked)			
1	.75	.45	Castle Trethewey	1,050	.55	.55	.53	.55
1	.20	.05	Cen. Cadillac	......	(.06 bid .09 asked)			
1	2.55	1.45	Cen. Patricia	3,500	1.90	1.92	1.88	1.90
1	.14	.03	Cen. Porcupine	5,900	.10	.10	.09½	.10
1	.21	.08	Century Mining	6,000	.17	.17	.16½	.17
1	1.52	.41	Chesterville	16,987	1.50	1.50	1.42	1.47
No	.58	.15	Chromium	2,100	.17	.18	.16	.18
1	1.00	.30	Cochenour Willans	49,300	.99½	1.00	.95	.99½
5	2.20	.50	Coast Copper	......	(1.05 bid 2.00 asked)			
5	1.70	1.25	Coniagas	10	1.70	1.35	1.35	1.35
No	1.98	1.00	Coniaurum	500	1.55	1.60	1.55	1.55
5	49.00	28.50	Cons. Smelters	684	38.00	39.00	37.50	38.00
			D, E					
1	1.35	.50	Delnite	1,300	1.00	.92	.90	.90
1	.08½	.03	Denison Nickel	1,500	.03	.03	.03	.03
No	29.50	16.00	Dome Mines	1,007	25.00	25.00	24.25	24.75
1	.04	.01½	Dorval Siscoe	......	(.02 bid .03 asked)			
1	.03½	.00½	Duparquet	......	(.01 bid .02½ asked)			
1	.13	.02	Duquesne	124,715	.12½	.15½	.11½	.14½
1	4.10	1.95	East Malartic	23,625	2.85	2.84	2.74	2.75
1	1.25	.20	Eldorado	18,685	.49½	.54	.50	.50
			F, G					
No	5.05	1.70	Falconbridge	325	2.00	2.10	2.05	2.10
1	.06½	.01½	Federal	10,000	.05	.05	.05	.05
1	.07	.01	Fernland	16,500	.05	.05½	.04½	.04½
No	.70	.19	Francoeur Gold	10,700	.48	.55	.49	.52
1	.10½	.03½	Gillies Lake	8,000	.04	.04½	.04	.04
1	.02½	.01	Glenora	1,500	.02½	.01½	.01½	.01½
No	.69	.25	God's Lake	6,590	.39	.39½	.37	.37
1	.23	.08	Goldale	3,700	.16½	.17	.16	.16
50c.	.32	.20	Gold Belt	......	(.29 bid .32 asked)			
1	.26	.05	Gold Eagle	4,000	.08½	.09	.08½	.09
1	.22	.07½	Golden Gate	9,700	.12½	.13	.11½	.12
1	.02½	.00½	Goodfish	3,500	.01	.02	.01½	.02
1	.03½	.01	Graham Bosquet	1,000	.01½	.01½	.01½	.01½
No	.07	.02½	Grandora	11,500	.07	.05½	.05½	.05½
1	.04	.02	Grull Wihksne	......	(.01½ bid .04 asked)			
1	.64	.31	Gunnar Gold	1,100	.37	.38	.37	.37
			H, I, J					
1	.03½	.00½	Halcrow Swayze	10,000	.02	.02	.01½	.02
1	.03½	.00½	Halliwell Gold	500	.01½	.01½	.01½	.01½
1	8.00	4.50	Hallnor	200	5.15	5.40	5.25	5.25
1	1.48	.54	Hard Rock	3,060	1.04	1.07	1.04	1.04
1	.10	.03	Harker	2,600	.04	.05	.04½	.05
1	.57	.30	Hedley Mascot	......	(.47 Nov. 1)			
5	15.00	9.50	Hollinger	1,540	13.12	13.12	12.63	13.00
1	.40½	.20	Howey Gold	1,600	.29	.30	.28	.28½
No	34.00	19.50	Hudson Bay	460	26.50	27.00	25.75	27.00
1	.45	.13	Inspiration	2,300	.25½	.25	.23	.25
1*	9.87	7.00	Inter. Mining	......	(.... bid .... asked)			
No	47.00	27.50	Int. Nickel	1,541	34.00	34.75	34.25	34.75
50c.	1.09	.65	Island Mountain	......	(.... bid .85 asked)			
1	.05	.01	Jacola	1,000	.02½	.02½	.02½	.02½
1	.42	.18	Jack Waite	13,220	.24	.24½	.22	.22
1	.19	.01	Jellicoe	7,333	.02½	.02½	.02½	.02½
1	.04½	.00½	J. M. Cons. Gold	5,000	.01½	.01	.01	.01
1	.08½	.01½	Joliet Quebec	......	(.01½ bid .02 asked)			
			K, L					
1	4.10	1.20	Kerr Addison	13,736	3.85	3.95	3.85	3.85
1	.45	.20	Kerr Lake	......	(.20 bid .39 asked)			
1	.07	.02	Kirk. Gold Rand.	......	(.02 bid .05 asked)			
1	.32	.10	Kirk. Hud. Bay	200	.13	.18	.16	.16
1	1.54	.70	Kirkland Lake	3,200	.96	.97	.95	.96
1	.18	.06½	Kirk. Townsite	1,200	.08	.08½	.07½	.07½
1	32.00	15.25	Lake Shore	567	19.00	20.00	18.75	20.00
No	7.25	4.75	Lamaque Gold	1,435	5.00	5.05	5.00	5.00
1	.22½	.05	Lapa Cadillac	19,200	.12	.15	.10	.11
1	.05½	.01	Lebel Oro	5,000	.01½	.01½	.01½	.01½
1	.88	.41	Leitch Gold	7,150	.56	.59½	.56	.59½
No	3.40	1.71	Little Long Lac	4,885	2.10	2.15	2.00	2.00
			M					
1	4.80	2.25	Macassa	1,100	4.30	4.30	4.20	4.25
1	2.74	1.00	MacLeod Cockshutt	2,360	2.30	2.30	2.25	2.25
1	.70	.20	Madsen Red Lake	15,734	.63½	.64	.59	.59½
1	1.45	.54	Malartic Gold	20,460	1.19	1.19	1.10	1.10
No	.13½	.03	Mandy	......	(.08 bid .10 asked)			
No	.01½	.00½	Man. & Eastern	3,500	.00½	.00½	.00½	.00½
1	.04½	.00½	Maralgo	......	(.01½ bid .01½ asked)			
5	58.00	37.25	McIntyre	207	52.25	52.50	50.00	51.25
1	1.47	.85	McKenzie R.L.	3,900	1.23	1.25	1.20	1.21
1	.15½	.04	McVittie Graham	1,500	.07½	.07	.07	.07
No	.58	.20	McWatters	4,500	.23	.24	.22	.24
5	.39	.39	Mentor Exploration	......	(.12 bid .49 asked)			
No	1.33	.40	Mining Corp.	110	.80	.80	.80	.80
1	.05	.05	Moffatt Hall	......	(.... bid .... asked)			
1	.93½	.36	Moneta	2,500	.60	.55	.52	.54
1	.08	.02	Morris Kirk.	90,217	.05	.06	.04½	.05½
1	.03½	.01	Murphy	4,500	.02½	.03	.02½	.02½
			N, O					
1	.37½	.12	Naybob	31,450	.31½	.31	.29½	.30
No	.04½	.01	Newbec	......	(.01½ bid .02 asked)			
1	.09½	.05	New Golden Rose	......	(.... bid .06 asked)			
5	1.45	.75	Nipissing	1,200	1.26	1.17	1.15	1.17
No	78.75	42.75	Noranda	1,178	57.00	58.00	56.50	57.50
No	.62	.20	Nor. Canada	250	.40	.50	.40	.40
1	.06½	.02	Norgold	......	(.04 bid .04½ asked)			
1	.62	.15	Normetals	1,310	.32	.38	.35	.38
1	9.85	6.25	Northern Empire	......	(6.00 bid 7.00 asked)			
1	1.82	.50	O'Brien	1,355	1.15	1.15	1.00	1.09
1	.34	.10	Omega	537	.16	.15	.14½	.14½
1	.10	.03½	Osisko	......	(.03 bid .06 asked)			
			P, Q, R					
No	2.35	.78	Pamour	13,315	1.60	1.70	1.53	1.55
1	.10½	.02	Pandora	6,500	.07½	.08½	.07½	.07½
1	.10	.02	Partanen Mal.	7,500	.04½	.05	.04½	.04½
1	2.65	1.40	Pato Cons. G.	4,400	2.65	2.65	2.65	2.65
1	.02	.00½	Pawnee Kirk.	......	(.... bid .00½ asked)			
1	.53	.20	Paymaster	11,200	.24	.24	.23	.24
1	2.35	.99	Pend Oreille	900	1.90	1.90	1.85	1.90
1	2.12	1.01	Perron Gold	1,350	1.69	1.69	1.63	1.68
1	4.30	2.12	Pickle Crow	3,075	2.90	3.00	2.95	3.00
1	2.45	1.45	Pioneer Gold B.C.	1,760	2.40	2.30	2.20	2.20
1	14.50	9.00	Placer Devel.	......	(9.00 bid .... asked)			
1	2.18	.55	Powell Rouyn	1,700	1.05	1.05	1.00	1.00
1	1.42	.68	Premier Gold	2,700	.94	.92	.90	.90
1	3.75	1.30	Preston E. Dome	15,630	3.50	3.45	3.25	3.30
No	.35	.20	Prospectors Air's.	......	(.15 bid .50 asked)			
1	.42	.20	Quebec Gold	......	(.... bid .... asked)			
No	.08	.01	Quemont	......	(.04½ bid .... asked)			
No	.08½	.01	Red Crest	......	(.01½ bid .05 asked)			
1	.26	.15	Reeves McDonald	200	.24	.15	.15	.15
1	.57	.10	Reno Gold	3,300	.15	.14	.12	.12
1	.00½	.00½	Robb Montbray	......	(.00½ bid .00½ asked)			
1	.06½	.02	Roche Long Lac	3,600	.04½	.04½	.04	.04
			S, T, U, V, W, Y					
1	2.85	1.25	San Antonio	7,750	2.63	2.65	2.55	2.60
1	.15	.04½	Sand River	6,300	.05½	.05½	.05½	.05½
1	.57	.10	Senator Rouyn	11,500	.49½	.50	.48	.48
1	.05½	.01	Shawkey	......	(.01½ bid .03 asked)			
50c.	1.24	.75	Sheep Creek	1,200	.88	.88	.83½	.85
1	1.18	.50	Sherritt Gordon	6,753	.82	.85	.82	.82
1	9.00	4.00	Sigma Mines	298	8.85	8.75	8.60	8.75
1	.95	.45	Siscoe	13,400	.56	.60	.55	.55
1	.61	.20	Sladen Malartic	2,700	.43	.41	.38½	.38½
1	.15	.02½	Slave Lake	57,600	.13	.14	.12	.14
1	.21	.07½	St. Anthony	9,500	.08½	.08½	.08½	.08½
No	3.10	1.05	Steep Rock	14,209	1.51	1.65	1.50	1.50
No	.08½	.03	Straw Lake	36,200	.04½	.04½	.04½	.04½
1	.21	.09	Sturgeon River	1,000	.16	.17	.17	.17
No	2.05	.80	Sudbury Basin	1,650	1.30	1.26	1.20	1.25
1	.08½	.03	Sudbury Contact	5,000	.06	.06½	.05½	.05½
1	1.02	.45	Sullivan Cons.	3,320	.65	.65	.60	.63
1	3.45	1.90	Sylvanite	325	2.90	2.95	2.90	2.95
1	4.15	2.40	Teck Hughes	9,530	3.50	3.55	3.40	3.50
1	.08½	.02½	Temiskaming	8,200	.06	.08½	.06	.08½
1	1.90	1.00	Toburn Gold	300	1.53	1.55	1.55	1.55
1	.35	.09	Towagmac	1,500	.13	.14	.14	.14
No	.46	.33	Trans Resources	17,600	.41	.50	.41	.46
1	1.12	.25	Uchi Gold	7,460	.33	.35	.32	.35
.	97.00	64.00	Do., Bonds	......	(83.00 bid 90.00 asked)			
1	2.41	.54	Upper Canada	30,160	2.30	2.30	2.13	2.18
No	4.35	1.75	Ventures	612	3.10	3.25	3.05	3.20
No	6.05	2.65	Waite Amulet	715	3.70	3.85	3.60	3.75
1	.30	.20	Wendigo	1,500	.21	.21	.21	.21
1	.03½	.01	Wiltsey Coughlan	2,500	.01½	.01½	.01½	.01½
1	.32	.07½	Wood Cadillac	7,500	.08½	.08½	.08	.08½
No	8.25	4.70	Wright-Hargreaves	7,911	6.95	7.00	6.60	6.90
No	.07½	.04	Ymir Girl	2,000	.06½	.06½	.06½	.06½

Oil Stocks

Par Val.	Range 1940 High	Low	Company	Sales	Close Dec. 28 (or last)	High for week	Low for week	Close Jan. 6
No	.15	.02	Acme Gas & Oil	8,500	.09½	.10	.09½	.10
1	.21	.05½	Alta. Pac. Cons.	......	(.08½ bid .10 asked)			
1	.22½	.10	Ajax	......	(.16 bid .22 asked)			
No	1.03	.40	Anglo Canadian	15,850	.53	.68	.60	.67½
No	.07	.06	Anaconda	......	(.... bid .... asked)			
No	.18	.04	Br Dominion	1,500	.08	.07½	.07½	.07½
No	.19½	.06½	Brown Oil	......	(.08 bid .11 asked)			
92.50	75.00	65.00	Do., pref.	......	(.... bid 82.00 asked)			
No	2.39	1.00	Calgary & Ed.	6,350	1.40	1.40	1.30	1.31
1	.47	.18	Calmont	1,100	.24	.25	.24	.24
No	.33	.15	Commoil	......	(.23 bid .25 asked)			
No	.32	.15	Common Pete	3,000	.21	.21	.21	.21
No	.55	.15	Dalhousie	900	.30	.32	.28	.30
No	.35	.10½	Davies Pete	4,600	.14	.14	.14	.14
No	.08	.02	East Crest	......	(.04½ bid .04½ asked)			
No	.26	.15	Extension Oil	......	(.16 bid .17 asked)			
No	.45	.27	Federated Pete	......	(.30 bid .45 asked)			
25c.	.09	.04½	Firestone Pete	......	(.04½ bid .05 asked)			
No	1.05	.30	Foothills	600	.65	.70	.70	.70
25c.	.11	.04	Foundation Pete	......	(.05½ bid .09 asked)			
No	.18	.05	Hargal	......	(.... bid .20 asked)			
No	.19½	.07	High Sarcee	......	(.11½ bid .16 asked)			
No	3.10	1.30	Home	13,350	2.30	2.33	2.22	2.25
1	.07½	.01½	Homestead O. & G.	3,000	.01½	.01½	.01½	.01½
No	.14½	.05	McD. Segur	......	(.06 bid .07½ asked)			
1	.30	.16	Model	......	(.15 bid .18½ asked)			
25c.	.09	.03	Monarch Royalties	......	(.... bid .06 asked)			
25c.	.21½	.04	National Petroleum	500	.05	.05	.05	.05
1	.07½	.02	Nordon	200	.06½	.03	.03	.03
No	.04	.01½	Oil Selections	......	(.02 bid .03½ asked)			
No	1.35	.60	Okalta	......	(.68 bid .70 asked)			
No	.07	.02½	Pacalta	7,500	.04	.04	.04	.04
1	.40	.20	Pacific Petroleum	......	(.24 Dec. 4)			
1	.35	.25	Petrol Oil & Gas	100	.35	.30	.30	.30
25c.	.22	.07½	Prairie Royalties	......	(.08 bid .09 asked)			
No	36.50	17.63	Royalite	220	20.50	21.00	20.25	21.00
No	.62½	.20	South West Pete.	......	(.20 bid .40 asked)			
No	.07½	.01½	South End	......	(.01½ bid .03 asked)			
5	2.35	.90	Texas Can.	90	1.00	1.05	1.00	1.05
No	.08½	.03	United Oils	......	(.04½ bid .05 asked)			
1	.17½	.02	Vermilata	......	(.02½ bid .04 asked)			
1	.60	.25	Vulcan	......	(.30 bid .... asked)			
No	.04	.01½	West Flank	......	(.01½ bid .02½ asked)			

Vancouver Stocks

Par Val.	Range 1940 High	Low	Company	Sales	Close Dec. 28 (or last)	High for week	Low for week	Close Jan. 6
1	.14	.04	Big Missouri	500	.05	.05	.04½	.05
No	11.25	7.55	Bralorne	1,715	10.25	10.60	10.00	10.10
1	.01½	.00½	Bridge River Cons.	......	(.... bid .01 asked)			
1	2.70	1.65	Cariboo Gold	......	(2.32 bid 2.35 asked)			
No	.01½	.00½	Dentonia	1,000	.00½	.00½	.00½	.00½
No	.02	.00½	Fairview Amal.	13,373	.00⅞	.01	.00⅞	.01
1	.28	.10	George Copper	......	(.... bid .25 asked)			
1	.05	.02½	Golconda	......	(.03½ bid .05 asked)			
50c.	.33	.15	Gold Belt	2,300	.29	.30	.29	.30
50c.	.20	.08	Grandview	255	.10	.10	.10	.10
1	.04½	.01½	Grull Wihksne	2,450	.02½	.02½	.02	.02½
1	.59	.30	Hedley Mascot	3,600	.58	.58	.56	.58
No	.00⅞	.00½	Home Gold	......	(.... bid .00½ asked)			
1	.01	.00½	Indian Mines	......	(.01 bid .... asked)			
50c.	1.10	.63	Island Mountain	......	(.75 bid .... asked)			
1	.40	.30	Inter'l Coal	......	(.40 Dec. 23)			
50c.	.85	.23	Kootenay Belle	200	.25	.25	.25	.25
1	.25	.17	McGillivray Creek	......	(.25 bid .... asked)			
No	.15½	.01	Minto Mines	......	(.... bid .01½ asked)			
50c.	.04½	.00½	Nicola	......	(.00½ bid .... asked)			
1	.13	.07	Pacific Nickel	......	(.07 Oct. 28)			
1	2.35	1.05	Pend Oreille	20	1.85	1.80	1.80	1.80
1	2.50	1.45	Pioneer Gold	600	2.20	2.25	2.20	2.20
50c.	.02½	.01	Porter Idaho	......	(.01 bid .02 asked)			
No	.01½	.00½	Premier Border	323,900	.00⅞	.02½	.01	.02½
1	1.42	.72	Premier Gold	2,050	.90	.95	.91	.91
No	.94	.37	Privateer Mines	22,200	.55	.61	.54	.61
1	.03½	.01	Quatsino Copper	......	(.01½ bid .03 asked)			
1	.30	.15	Reeves McDonald	700	.17	.18	.17	.17
1	.14½	.02½	Relief Arlington	3,000	.03	.03	.03	.03
1	.57	.09	Reno Gold	4,700	.14	.13½	.13	.13
1	.06½	.04	Sally Mines	......	(.... bid .06 asked)			
50c.	.05½	.02	Salmon Gold	2,000	.02½	.02½	.02½	.02½
50c.	1.22	.75	Sheep Creek	2,000	.85	.86	.85	.85
1	1.31	.55	Silbak Premier	250	.60	.70	.65	.65
No	.02	.00½	Silvercrest	......	(.00½ Nov. 9)			
1	.05	.05	Sunloch	......	(.05 May 11)			
50c.	.11½	.05	Surf Inlet	2,000	.10	.10	.10	.10
No	.03	.02	Taylor Bridge	......	(.02 Nov. 6)			
20c.	.01½	.00½	Wellington	1,000	.01	.01	.01	.01
50c.	.00⅞	.00½	Wesko	......	(.... bid .00½ asked)			
1	.04	.01	Whitewater	......	(.02 bid .02½ asked)			
No	.07½	.04	Ymir Yankee Girl	......	(.05½ bid .07 asked)			

Oil Quotations

Par Val.	Range 1940 High	Low	Company	Sales	Close Dec. 28 (or last)	High for week	Low for week	Close Jan. 6
1	.22	.08	Alta. Pac. Cons.	200	.08½	.09	.09	.09
1	.00½	.00½	Amalgamated	......	(.00½ bid .00½ asked)			
No	.07½	.03	Anaconda	800	.03½	.04	.04	.04
No	1.02	.45	Anglo-Canadian	1,900	.58	.67	.61	.67
No	.13	.04	Brit. Dominion	......	(.06 bid .... asked)			
No	.18½	.06	Brown Oil	......	(.10 Nov. 26)			
No	2.33	1.00	Calgary & Ed.	375	1.40	1.42	1.38	1.38
1	.46	.18	Calmont	1,800	.24	.26	.24	.26
No	.32	.17	Commoil	......	(.23 bid .25 asked)			
1	.29	.16	Commonwealth	......	(.21 bid .... asked)			
No	.50	.20	Dalhousie	......	(.27 bid .... asked)			
No	.31	.13	Davies Pete	......	(.13½ bid .... asked)			
No	.08	.02½	East Crest	500	.04	.04	.04	.04
No	.26	.15	Extension	......	(.16 bid .17 asked)			
No	.40	.30	Federated Petrol.	900	.36	.36	.34	.36
25c.	.08½	.05	Firestone	......	(.04 bid .05½ asked)			
No	1.05	.38	Foothills	......	(.65 bid .... asked)			
25c.	.10	.10	Foundation Pete	......	(.... bid .... asked)			
No	.12	.08½	Four Star	......	(.... bid .12 asked)			
No	.17	.09	High Sarcee	......	(.12½ bid .... asked)			
No	3.10	1.31	Home Oil	6,825	2.35	2.41	2.25	2.30
No	.03	.01½	Madison	......	(.01½ bid .... asked)			
No	.04½	.00½	Marjon Oil	5,000	.01½	.01½	.01½	.01½
No	.15	.05½	McD. Segur Ex.	......	(.06 bid .... asked)			
No	.07½	.03	Mercury	......	(.04½ bid .06 asked)			
No	.07½	.04	Mill City Pete	......	(.04½ bid .... asked)			
1	.31	.12	Model	......	(.15 bid .20 asked)			
25c.	.08½	.04	Monarch Royal	......	(.04 bid .... asked)			
25c.	.21	.05	National Pete	......	(.04½ bid .... asked)			
1	.05	.04	Nordon	......	(.04 bid .... asked)			
No	1.31	.58	Okalta	600	.70	.75	.70	.70
No	.06½	.03	Pacalta Oil	......	(.03½ bid .05½ asked)			
1	.42	.19	Pacific Petroleum	......	(.25 bid .31 asked)			
25c.	.21½	.07½	Prairie Royal	......	(.07½ bid .... asked)			
No	.19½	.08	Royal Canadian	6,700	.08½	.10½	.08½	.10½
No	.10½	.05	Royal Crest	......	(.07½ Sept. 25)			
No	36.00	17.50	Royalite	20	21.00	21.00	21.00	21.00
No	.07½	.03	South End	......	(.... bid .... asked)			
No	.60	.21	Southwest Pete	......	(.25 Sept. 11)			
1	.06	.02	Spooner	......	(.04½ bid .... asked)			
25c.	.38	.11½	Sunset Oil	......	(.10½ bid .... asked)			
No	.09	.03½	United	......	(.04½ bid .... asked)			
No	.07	.03½	Vanalta	......	(.04 bid .... asked)			
1	.63	.23	Vulcan	......	(.30 bid .40 asked)			
No	.05	.02	West Flank	......	(.02 Nov. 9)			

*Quotations for 1939.

Winnipeg Stocks

(Transactions from Dec. 30 to Jan. 4)

	Sales	High for period	Low for period	Close Jan. 4
Burns, A	20	3.50	3.50	*3.50
Federal Grain, pfd.	10	30.00	30.00	30.00
Great West Life	4	205.00	205.00	205.00
Knee Lake	900	.01	.01	.01
National Malartic	1,500	.47	.46	.46
Sun Ray Units	3	165.00	165.00	165.00
Western Breweries	315	1.70	1.70	1.70

Stocks Not Traded in During Week*

	Bid	Asked		Bid	Asked
Beaver Fire	75	..	Nor. Can. Mtg. p.	5	..
Beav. Lumber, c.	..	4	Nor. Trusts	7	..
Do., pref.	99	..	Traders Bldg.	43	..
Can. Airways	1	..	Unit. Grain	9	9½
Can. Indemnity	150	..	West. Grain, p.	..	7
Cres. Cream., pf.	..	15	West. Steel, p.	8	9½
Dom. Envelope, c	8½	..	Wings	.20	..
Do., pref.	..	99	Do., V. T.	.25	..
Home Invest.	13	..			

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Jan. 7	11,700	13,800	347,000	......
Jan. 6	10,000	9,100	393,000	44,455
Jan. 4	5,200	7,800	150,000	66,790
Jan. 3	4,900	40,400	237,000	93,010
Jan. 2	4,600	4,000	214,000	115,913
Jan. 1	Holiday			

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Dominion of Canada Bonds Jan. 8, 1941

%	Due	Bid	Ask.	Approx. Yld.
1	Mar. '41	99⅞	102½	.20
5	Nov. '41	103½	103½	.97
1½	May '42	100½	100⅞	1.02
2	June '42	100½	101½	.96
3	Oct. '42	102⅞	103½	1.16
2½	June '43	102½	102⅞	1.40
5	Oct. '43	108½	109½	1.60
2	June '44	100⅞	101½	1.65
a2½	Jan. '44	91½	92½‡	4.93
4½	Oct. '44	108½	109½	1.95
2½	Nov. '44	102	102⅞	1.76
2½	Aug. '45	90½	91½‡	4.56
4	Oct. '45	105⅞	106½	b1.75
4½	Feb. '46	109⅞	110⅞	2.32
3½	June '49	102⅞	103½	b2.62
3½	Oct. '49	102⅞	103⅞	b2.50
3½	Nov. '51	101	101⅞	b3.00
3½	Feb. '52	101½	102	b2.94
a5	May '52	99	100‡	5.00
4	Oct. '52	105½	106½	b2.99
3	Oct. '52	98½	99½	3.07
3	June '55	98½	99½	3.07
4½	Nov. '56	107½	108½	b2.95
4½	Nov. '57	108½	108⅞	b3.05
3	June '58	97⅞	98½	3.11
4½	Nov. '58	109	109⅞	b3.10
4½	Nov. '59	109⅞	110½	b3.13
a4	Oct. '60	91	92‡	4.62
a3½	Jan. '61	81	82½‡	4.60
3½	June '66	100½	101	b3.17
a3e	Jan. '67	78	79½‡	4.34
a3e	Nov. '68	78	79½‡	4.28
†3	Perpet'l.	89½	90	3.33
Dominion Guarant'd Bonds				
Can. Nat'l. Railways:				
2	Feb. '43	100½	101½	1.40
2½	Jan. '46	99½	100⅞	2.12
3	May '44	103	104	1.76
3	Dec. '50	99	100	3.00
3	Feb. '53	97⅞	98⅞	3.12
3	Jan. '59	97	98	3.15
*4½	Sept. '51	115	116	2.80
*4½	Feb. '56	115½	116½	3.14
4½	July '57	115½	116½	3.20
*4½	June '55	117½	118½	3.17
5	Feb. '54	117½	118½	3.27
*5	July '69	114½	115½	b1.80
*5	Oct. '69	119	120	b2.90
*5	Feb. '70	119	120	b2.96
Grand Trunk Pacific Rly.:				
3	Jan. '62	98½	99½	3.05
Provincial Gov't. Bonds				
New Brunswick:				
3	Oct. '51	89	90½	4.08
3½	Aug. '49	91½	93	4.23
3½	June '56	91½	93	4.11
c4	Nov. '47	97½	99	4.17
c4½	Apr. '61	100	101½	4.39
c5	Jan. '60	104	106	4.53
Nova Scotia:				
3	Jan. '52	94½	96	3.44
3½	June '56	95	96½	3.55
3½	Nov. '50	98⅞	99⅞	3.53
c4½	Sept. '52	106½	108	b3.17
c4½	Nov. '60	109	111	3.72
c5	Mar. '60	113	116	3.83
Ontario:				
2½	May '45	100½	101½	2.20
3	Apr. '48	99½	100½	b2.95
3	Nov. '50	98½	99½	3.09
3½	Nov. '51	100	101	b3.12
3½	May '55	99½	100½	b3.20
*4	June '62	108	110	3.34
4½	June '50	109⅞	110⅞	3.18
*4½	Jan. '62	114½	116½	3.39
5	Oct. '48	112	113	3.10
*5	Dec. '60	120	122	3.47
5½	July '46	112½	113½	2.88
Ont. Hydro Commission:				
3	Aug. '48	99½	100½	b2.95
3½	Feb. '53	100½	101½	b3.09
3½	Apr. '47	102½	103½	2.93
Prince Edward Island:				
3	Oct. '45	95	97	3.69
Quebec:				
3	Nov. '47	95½	96½	3.62
3½	Mar. '48	96½	97½	3.65
3½	Mar. '59	93½	95½	3.85
3⅞	Feb. '55	98	99	3.84
4	Mar. '52	100½	101½	3.88
4½	Aug. '58	101	103	4.01
4½	Jan. '63	105	108	3.95
Alberta:				
4	Dec. '54	60½	64½	d
4½	Oct. '51	68	..	d
c4½	Oct. '56	63	67	d
*5	Oct. '59	66	70	d
c5½	Apr. '52	70½	74½	d
6	Mar. '47	72½	76½	d
British Columbia:				
c4	Dec. '57	97½	101½	3.28
*4½	Jan. '51	100½	104½	3.95
c4½	Oct. '53	100½	104½	4.05
c5	Apr. '54	104	108	4.22
5½	Feb. '45	103	107	3.84
6	Feb. '47	104	108	4.48
Manitoba:				
c4	Dec. '57	89	93	4.60
c4½	Dec. '56	92	96	4.86
*5	Dec. '59	97	101	4.92
5½	Oct. '55	98	102	5.30
6	Apr. '47	100	104	5.24
Saskatchewan:				
4	Sept. '54	75	79	6.28
4	Nov. '60	73	77	5.90
c4½	Oct. '51	84	88	6.00
c4½	Mar. '60	79	83	5.90
5	Aug. '58	84½	88½	6.08
5½	Oct. '52	87½	91½	6.53
6	Mar. '32	91	95	6.61

*Payable Can., N.Y. and £. b-Calculated to call date giving lowest possible yield. c-Payable Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds.

Unlisted Stocks

Jan. 7, 1941 (Furnished by A. J. Pattison, Jr. & Co., Toronto)

Industrials:	Bid	Ask.		Bid	Ask.		Bid	Ask.
Acme Farm. D.	32	..	Morrison Br. un.	3½	6	Confed. 30% pd.	135	145
Andian National	27½	28½	Neilson, Wm., c.	10	..	Continental L.	35	..
Anglo C. Tel., A	8½	8½	Do., pfd.	101	..	Crown, fully pd.	240	260
Atlas Steel	18	21	N. B. Tel., c.	11	13	Dominion Fire	135	..
Barrymore, pfd.	28	..	N. Meth. Ldy., p	53	58	D. of Can. Gen.	115	120
Blue T. Brew. A	8½	..	Niag. L. A. Br.	50	59	Empire 25% pd.	5⅞	6½
B. C. Pulp, c.	17	18½	Ont. Tobacco, p.	15	17	Excelsior 38% pd	70	..
Do., pfd.	68	71½	Pac. C. Term., c.	9	11	Federal 25% pd.	51	53
B. C. Sugar	73	76	Paterson, Wm. p	102	..	Great-West Life	200	215
B. C. Tel., 1st p.	110	115	Prov. Paper, pfd	105	107	Halifax Fire	18	19½
Burns & Co., A	3	4	Ruddy, E. L., p.	21	25	Imperial Life	285	300
Do., B	1½	2½	Seal O Sac (Can.)	1	2½	Manufac. Life	225	240
Can. Col. Air.	3½	4	Stand. Fuel, p.	59	65	Monarch Life	32	..
Can. Co-op. Wl.	6½	8	Stedman, pf. $50	56	59	Sov. L. 25% pd.	12½	13
C. I. L., A c.	210	220	Tor. Carpet, c.	38	..	Sun Life	310	320
Can. Ing. Rand	77	81	Do., pfd.	60	..	Tor. General	5	8
Can. Mot. L.A.B.	2⅞	..	Un. F. Co-op.	2½	3½	Wellington Fire	58	..
Can. Tube, 1st p	80	..	Un. Steel, A pf.	22½	24	Western Assce.	40	44
Chase, A. W., p.	18	20	Viceroy Mfg., p.	23½	25½	**Theatre Stocks:**		
Claude Neon, p.	3	6	Do., com.	11½	15½	Allens, Kings. p	62	66
Colonial Steam.	16	17	**Trusts & Loan Stocks:**			Do., London p	51½	56
Dom. Manuf., p.	60	65	Brit. Mtge.	120	130	Do. St. Cath. p	51	55
Dunlop T. p. $25	24	25	Capital Tr.	27	31	Do., Tor. p.	31½	35
Easy Wash. p $10	10	11	Com. Fin., c.	2½	3	Mansf. Theat., p	26	30
Goderich Elev.	8½	9½	Grey & B. Tr.$50	43½	47	Para. Kitch., p.	50	55
Guard. Realty, p	16	18½	Guaranty Trust	98	102½	Do., Oshawa, c	9	11
Guelph Carp., p	105	..	Guelph & O. $50	50	55	**Investment Trust Shares:**		
Do., com.	22	..	Lambton Loan	30	..	Can. Investors	5½	6
Gurney Fdry., p	1½	1½	London & West.	..	30	Deb. & Sec., pf.	58	..
Hayes Steel, c.	9½	11	Sherbrooke Tr.	120	..	Sec's Hold., pf.	18	20
Hi'land Dairy, p	47½	55	Sterling Trust	57	..	United Corp., A	21	22
Homewood San.	106	120	Traders Fin. A c	10½	11½	Do., B	5	6
Inglis, John, c.	5	7	Do., A pfd.	93	96½	**Power Issues:**		
Ingram & Bell	22	26	Trusts & Gr., new	50	54	Can. W. N. Gas	24	..
Kingston Sh. un	25	..	Victoria Trust	70	80	Do., pfd.	102	105
Loblaw Inc., c.	12½	13⅞	**Insurance Stocks:**			Gt. Lakes Pr., p	101½	103½
Minn. O. Pap.	4	4½	Canada Life	385	400	Int. Util., $1.75	15	..
M'row Screw, p.	100	..	Brit. Amer.	50	56	Mtl. Is. Pwr. p.	20	..
Do., com.	11	..	Canadian Fire	78½	..	Nor. Ont. Pr., p	70	80

Unlisted Mines

Toronto, Jan. 7, 1941

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Acordia	.23½	.25½	Demp Cad	.00⅞	.01½	Magwell	.02	.05	Pontiac R		
Addington	..	.02	Desants n	.25	.29	Martin Br	.04	.05	(Old)	.08	.09
Albany River			Dona Pat	.02	.02½	Margaret	.08½	.09½	Polaris	.11	.13
(Old)	.10	.12	E Lacoma	.00½	.01	Mata Can	.04½	.05½	Propri'y	2.70	2.85
(New)	.20	.25	Elmos	.08	.09½	Mata Con	.17	.19	Presdor	.05½	.05½
Amal Kirk	.09	.10	Franco	.25	.30	Mof Hal n	.02½	.03½	Queb Mn	.05½	.07
Anoki	.03	.04	Galore	.03	.04	Monarch	.01½	.02½	Rahn Lke	.01½	.02
Arjon	.03½	.04½	Gan Cop	.15	.17	Mooshla	.01½	.02½	Rand Mal	.09	.10
Armistice	.09	.10	Gate Pat	..	.01	Mosher	.06½	.07½	Red Lake	.02	.03
Argosy	.08½	.09	Gilbec	.00⅞	.01½	McGregor	.02	.03	Sachigo	2.75	3.00
Aquarius	.27	.29	Gord Leb	.00⅞	.01½	Nat Mal	.45	.47	Senore	.11	.14
Area	.04½	.05	Hoyle nw	.34	.36	Negus	1.05	1.08	Shenango	.02	.02½
Arno	..	.01½	Hugh PP	.11½	.12½	New Roy	.00⅞	.01½	Sheldon	.05	.06
Athona			Hutch Lke	.01	.01½	New Aug	.40	.44	Siscoe Ex	.01½	.02½
(Old)	.02	..	Jason M	.50	.53	Nickel O	1.00	1.25	Skynner	.06	.07½
(New)	.03½	.04½	Keora	.01½	.02½	Norbeau	.25	.30	Smelters G	.01½	.02
Barb Lard	.02	.02⅞	Kenricia	.01½	.02	Norlake	.01	.02	Spooner	..	.03½
Bilmac	.00⅞	.01½	Kewagama	.02	.03	Norwin	.02	.05	Sunbeam	.03	.05
Bonetal	.48	.52	Kiena	.05	.07	Northland			Springer	.19	.20
Brock	.40	.42	Kirk Gate	.01	.02	(1940)	.12	.13	Stadacona	.06	.08
Buff Bear	.01½	.02½	Lardego	.00½	.01	Oklend	.07⅞	.08⅞	Thomson	.14	.16
Calder Bo	.02½	.03½	Lacoma	.00⅞	.01½	O'Leary	.01½	.02	Thomp C	..	.02½
Central M	.02½	.02⅞	Lake Duf	.24½	.26	Opemiska	.03	.05	Treaty P	..	.10
Cheminis	.03⅞	.04½	Lake Gen	..	.06½	Oriole	.00½	.01½	Union Mn	.04½	.05½
Coin Lake	.04	.05	Lw Pete	.18	.23	Orpit	.02	.02½	Wasu	.04	.06
Cons Chib	.05½	..	Magnet C	.90	.92	Ossian	.00½	.01½	West Red	.04	.05
Crescent	.01	.01½	Magnet L	.19	..	Pascalis	.30½	.32	Woco	.03	.04
Dayton	.01½	.02	Manik'u	6.25	6.75	Pelangio	.02	.03	Y David'n	.22	.24

Montreal, January 7, 1941

Cad Exp	.02	.04	Cournor	.18	.20	Obalski	.01½	.02	Scott Ch	.02	.03
Chibmac	..	.02	Dubisson	.15	.17	Pan Can	.05	.07	Westwd C	.02½	.04
C. Pand'ra	.01½	.03	L Rowan	.04	.05						

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Jan. 7, 1941

Public Utility Issues:	Int. Rate %	Due	Bid Jan. 7	Asked	Bid Dec. 30
†Assoc. Tel. & T.	5½	'55	71	74	70½
B. C. Power	4½	'60	99½	102½	99½
B. C. Tel.	4½	'61	106½	..	106
†Calgary Pwr.	5	'60	106	..	106
Do.	5	'64	102	..	102
†Can. Nor. Pwr.	5	'53	104	107	104
*Dom. Gas & El.	6½	'45	103	106	..
Gatineau Pwr.	5	'49	102	105	102
*Do., A	3⅞	'69	97½	100½	97
Gt. Lakes Pwr.	4½	'56	98	101	98½
*Int. Hydro-E.	6	'44	66½	69½	66½
▲Inter. Power	6	'55	100½	103½	100½
Macl'n-Que. Pr.	4	'59	97½	100½	96½
Mtl. L. H. & P.	3½	'56	101½	104½	101½
Do.	3½	'73	99½	102½	101½
†Mtl. Tramways.	5	'41	93	96	99
†Do.	5	'55	64	67	93½
Nat. Lt. & Pwr.	6	'49	99	102	99½
N. S. Lt. Pr.	4	'57	101	104	84½
Ottawa H. & P.	4	'57	101	104	101½
Ottawa V. Pwr.	5	'59	102	105	102
†Power Corp.	4½	'59	96½	99½	96
Quebec Pwr.	4	'62	100½	103½	101
*Saguenay P., A.	4½	'66	109	..	109
‡Do., B.	4½	'66	106	..	105½
Shaw. W. & P.	4	'61	101½	104½	101½
Union Gas	4½	'50	102	105	102
†United Secs.	5½	'52	60	63	60
Wpg. El., ser. A	4	'65	70	73	75
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	68½	71½	69½
Acadia Sugar	4½	'55	101	..	101
†Alta. Pa. Grain	6	'46	98	101	98
Atlantic Sugar	4	'51	99½	..	99½
†B. C. P. & Pap.	6	'50	89	92	90
*Brown Co.	5½	'46	48½	51½	49
Burns & Co.	5	'58	56½	59½	57
Canada Bread	6	'41	100½	..	100½
Canada Cement	4½	'51	103½	106½	103½
Can. Paper	4½	'52	100½	..	100
Can. Steamship	5	'57	97	100	97
Can. Canners	4	'51	100½	103½	100½
*Can. Int. Paper	6	'49	101½	104½	101½
C. P. R.	3½	'51	88½	91½	88½
Do.	4	'49	93	96	93
Do.	4½	'44	98	101	98
Do.	6	'42	103	106	103
†Consol. Paper	5½	'61	68½	71½	69½
Dom. Coal	4½	'52	100½	..	100½
Dom. Stl. & Co.	6½	'55	108	111	108
Dom. Tar	4½	'51	100½	103½	101
†Donnacona P.	4½	'56	75	78	75½
Famous Players	4½	'51	100	103	100
†Federal Grain	6	'49	98	101	98
†Fraser Cos.	6	'50	98½	101½	98
Gen. Stl. Wares	4½	'52	98	101	98
*Great L. Paper	5	'55	93	96	93
†Gypsum, Lime	5½	'48	98½	101½	98½
Ham. By-Pr. C.	5	'55	101½	..	101½
Inter-City Bak.	5½	'48	100½	..	100
*Inter. P., Nfld.	4½	'68	90	..	89½
Lake St. J. P.	5½	'61	90½	93½	90½
Maple Leaf M.	3	'58	74	77	74
Massey-Harris	4½	'54	93½	96½	..
McColl-Fron.	4½	'49	100½	103½	101
McCormick's	4	'52	96½	99½	96½
Mercury Mills	5	'59	91½	94½	91½
*M. & O. Paper	6	'45	52½	55½	52½
Nat. Grocers	4	'47	100½	..	100
N. S. Stl. & Co.	3½	'63	84½	87½	84½
Price Bros.	5	'57	96½	99½	96½
*Prov. Paper	5½	'47	105	..	105
Reliance Grain	4½	'52	94	..	94
†Restigouche Co.	6	'48	98	101	97
Rolland Paper	4½	'51	102	105	101
Simpsons Ltd.	4½	'51	100½	103½	100½
Smith, Howard	4½	'51	103½	106½	103½
*United Gas	5½	'48	104	..	104
United Gr. Grs.	5	'48	97	100	96
†Western Grain	6	'49	49	52	50

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
▲Payable in Can. or U. K.
*Payable in U. S. only.
‡Payable in Canada only.

Supplementary Bond and Stock Quotations

Furnished by Plaxton, Cherry & Co., Toronto

Jan. 7, 1941

Miscellaneous Bonds:	Int. Rate %	Due	Bid Jan. 7	Asked	Bid Dec. 30
*†Alg. Cen. HBR	5	'59	6⅞	7½	7
†B. C. Pulp	7	'50	115½	..	108
Can. Electric	4½	'65	96½	98½	96½
†Can Locomotive	6	'53	89	91½	89
†Can. Vickers	6	'47	57½	59½	57
Col. Steamship	6	'54	95½	97½	95
Dom. Scott. Inv.	4	'52	94	96	94
Dom. Woollens	6	'53	95½	97½	96½
†Dufferin Pav.	5	'55	48½	52	47½
East. Dairies	6	'49	82½	84½	82
Galt Brass	3	'50	77	..	76½
Gt. Lakes Pwr.	5	'57	96	98	96
*Gurney Fdry.	5½	'49	68½	70	68
Ham. By-Prod.	6	'56	99	101	100
Ham. Cotton	4½	'50	100½	103½	100
Indust. Accept.	4	'52	86	88	85½
Inv. Bond & Sh.	5	'47	51⅞	54	51½
*Kingston Elev.	6	'50	105½	107½	105½
L. St. John P&P	5	'61	67½	69½	66½
Legare	6	'61	85½	88	85
L. St. Law. Pwr	5	'55	98½	100½	98
McCormicks	4½	'52	103	104½	103
Man. Sugar	5	'60	98	99½	98
Moirs Ltd.	6	'53	79	..	78½
†Mtrl. Drydocks	5	'48	41	44	41
*M. & O. New (when iss.)	.	..	77½	79	76⅞
†Munic. Bankers	.	..	9½	10	9½
Price Bros.	4	'57	84	87	84
E. L. Ruddy	6½	'48	101	104	100½
Silv. Dairies	5	'51	102½	105	102½
Silv. Dairies	6	'66	95½	97½	95
Stand. Lime	6	'44	97½	99	97
Sterling Coal	6	'45	96½	99½	96
Stop & Shop	3	'47	61	63	61
St. Maurice Pr.	4½	'70	101½	102½	101
Twin C. Rap. Tr.	5½	'52	67½	69	67⅞
United Corp.	5	'53	91⅞	94	91½
†Wpg. Elec., B	4-5	'65	50	51½	49

Miscellaneous Stocks:	Bid Jan. 7 $	Asked Jan. 7 $	Bid Dec. 30 $
Adirondack F. & S. c	10.00	...	9.75
Blue Top Brew., B	6.00	6.75	5.75
Brown Co., com.	1.00	1.50	1.00
Can. Tube & Steel c	3⅝	4.50	3.50
Can. West. Lumber	.40	.65	.50
Cap. Wirecloth, com	6.00	8.50	5.50
Do., pref.	18.25	21.00	18.00
Collingwood Ter. un	.90	1.25	.85
Cons. Div. S. Secs. p	7.75	9.00	7.50
Corp. Inv., A	5.80	6.30	5.85
Corrug. Paperbox, c	.65	1.00	.70
Dover Ind.	7.50	8.25	7.50
East. Bake., pref.	30.50	34.00	30.00
East. Steel Prods., p.	20.00	21.00	20.00
Hart Battery, com.	6.25	7.25	6.00
Imperial Varnish, c.	8.00	10.00	7.50
Ind. Accept., pref.	81.00	85.00	82.00
Int. Util., 1.75 pref.	16.50	18.50	16.25
Do., 3.50 pref.	38.00	41.00	34.50
Inv. Found. Units	42.00	44.50	42.50
Loew's London, p.	2.75	3.25	2.50
Mid. Loan & Sav.	14.00	15.00	13.75
Moirs, 8% pref.	19.50	22.00	19.00
Mt. Royal, new c.	2.25	3.00	2.25
Do., old pref.	3.75	4.75	3.75
Murphy Paint units	99.00	100.50	99.00
Do., 5½% pref.	91.00	95.00	90.00
N. Amer. Elev., p.	52.00	...	51.00
Premier Trust	63.00	66.00	62.00
Prov. Bank	102.50	104.00	102.00
Traders Fin. Rts.	14.25	16.00	14.00
Trusts & Guar., old	25.50	26.50	25.00
Waterloo Mfg., new	1.10	1.65	1.15
Waterloo Trust	100.00	102.00	99.00
West Can. Hydro, p.	11.25	12.25	11.00

*Payable U. S. and Can. funds. *Payable U. S. funds only. †Traded without accrued interest.

Municipal Bonds

Jan. 7, 1941

†Halifax	5	1961	111.00	115.00	3.93
Hamilton	5	1950	111.60	113.60	3.30
Montreal	5	1945	96.00	99.00	5.28
Ottawa	4½	1942	106.00	108.00	2.60
†Quebec	5	1959	106.00	110.00	4.21
Saint John	5	1950	102.00	105.00	4.38
†Toronto	4½	1955	110.75	112.75	3.35
†Vancouver	5	1950	98.00	101.00	4.86
Winnipeg	5	1944	101.00	104.00	3.65

†Payable Can. and N.Y.

Investment Trusts

	Bid	Asked
Affiliated Fund	2.68	2.93
Can. Amer. Trust	3.15	3.65
Can Invest. Fund	3.40	3.80
Grouped Income	...	5.20
Trans-Canada	10.40	11.40

Annual Meetings

Jan. 9—Montreal Telegraph	Montreal
Jan. 9—Provincial Bank	Montreal
Jan. 9—Royal Bank	Montreal
Jan. 15—Bank of Toronto	Toronto
Jan. 15—The Imperial Life	Toronto
Jan. 15—The National Life	Toronto
Jan. 16—The Canada Life	Toronto
Jan. 16—Manufacturers Life	Toronto
Jan. 20—North American Life	Toronto
Jan. 21—Confederation Life	Toronto
Jan. 22—Bank of Nova Scotia	Halifax
Jan. 27—Canada Cement Co.	Montreal
Jan. 28—Crown Life Insur.	Toronto
Jan. 30—Bruck Silk Mills*	Montreal
Feb. 6—Mutual Life Assce.	Waterloo
Feb. 19—Shawinigan W. & P.	Montreal
Feb. 24—Montreal Life Ins.	Montreal

*Only shareholders of record Jan. 4, 1941, entitled to vote.

Dividends Declared

	This payment	Date payable	Date of record
Ault & Wiborg, p.	$1.37½	Feb. 1	Jan. 15
Ang. Can. Tele., p.	.68¾c	Feb. 1	Jan. 15
Beatty Bros., 1st p.	$1.50	Feb. 1	Jan. 15
Biltmore Hats	15c	Jan. 15	Dec. 31
Bell Telephone	$2	Jan. 15	Dec. 23
B. C. Elec. Rly., pf.	2½%	Jan. 15	Dec. 31
B. C. Power, A	50c	Jan. 15	Dec. 31
Brant. Cord., p.	32½c	Jan. 15	Dec. 20
B. C. Telep. 2nd p.	$1.50	Feb. 1	Jan. 17
Can. Bronze	37½c	Feb. 1	Jan. 20
Do., interim	50c	Feb. 1	Jan. 20
Do., pref.	$1.25	Feb. 1	Jan. 20
Can. & For. Secs.	6c	Feb. 1	Jan. 16
Can Converters	50c	Jan. 31	Jan. 10
Can. Cel., Inc. Fd. rts.	$1	Mar. 15	Dec. 31
Can. Light & Pr.	50c	Jan. 15	Dec. 26
Can. Pac. Rly., pref.	2%	Feb. 1	Jan. 1
Can. Fairbanks, p.	$1.50	Jan. 15	Dec. 31
Calgary Power, p	$1.50	Feb. 1	Jan. 15
Can. Nor. Power	■25c	Jan. 25	Dec. 31
Do. pref.	■$1.75	Jan. 15	Dec. 31
Can. Indust., pref.	$1.75	Jan. 15	Dec. 31
Com. Alcohol, pf.	10c	Jan. 15	Dec. 31
Can. Wineries	15c	Jan. 9	Dec. 19
Can. South. Rly.	$1.50	Feb. 1	Dec. 27
Can. Bk. of Com.	$2	Feb. 1	Dec. 31
Can. Gen. Invest.	12½c	Jan. 15	Dec. 31
Coniagas Mines	12½c	Feb. 1	Jan. 20
Distillers Seag., pf.	†$1.25	Feb. 1	Jan. 17
Dom. Oilcloth	30c	Jan. 31	Jan. 15
Do., extra	10c	Jan. 31	Jan. 15
Dom. Textile, pref.	$1.75	Jan. 15	Dec. 31
Dominion Bank	$2.50	Feb. 1	Jan. 20
Dome Mines	■50c	Jan. 20	Dec. 31
Do.	■50c	Apr. 21	Mar. 31
Dom. Tar & Ch. p	$1.37½	Feb. 1	Jan. 16
Eastern Steel, c	$1	Feb. 1	Jan. 15
East. Bakeries, pf.	81¼c	Jan. 15	Dec. 31
Four Star Pete.	1c	Jan. 15	Jan. 2
Foundation Co.	25c	Jan. 18	Dec. 31
Farmers' Tele.	63c	Jan. 31	Dec. 31
General Trust, p.	$1.25	Jan. 15	Dec. 31
Gt. Lakes Pwr., p.	$1.75	Jan. 15	Dec. 31
Guaranty Trust	$1.25	Jan. 15	Dec. 31
Guar. of N. Amer.	$1.50	Jan. 15	Dec. 31
Do., extra	$2.50	Jan. 15	Dec. 31
Hollinger Cons.	5c	Jan. 28	Jan. 14
Humberstone Shoe	25c	Feb. 1	Jan. 15
Inter. Bronze	37½c	Jan. 15	Dec. 31
Do., pref.	37½c	Jan. 15	Dec. 31
Inter. Nickel, pf.	†$1.75	Feb. 1	Jan. 2
Int. Paints, pfd.	$1	Jan. 10	Dec. 11
Do., arrears	25c	Jan. 10	Dec. 11
Invest. Found., pfd.	75c	Jan. 15	Dec. 31
Imperial Bank	$2.50	Feb. 1	Dec. 31
Inter. Milling, p.	†$1.25	Jan. 15	Jan. 3
Inter. Metal, pf.	$1.50	Feb. 1	Jan. 15
Do., pref., A	$1.50	Feb. 1	Jan. 15
Inter. Util., pf.	†87½c	Feb. 1	Jan. 20
Do., $1.75 pf.	†⸸$1.81¼	Jan. 15	Jan. 6
Koot. Belle	2c	Jan. 22	Jan. 15
Montreal Trams.	$1.50	Jan. 15	Jan. 3
Mtl. L., H. & Pr.	38c	Jan. 31	Dec. 31
McColl-Fron., p.	$1.50	Jan. 15	Dec. 31
Moneta Porc.	3c	Jan. 15	Dec. 31
Montreal Tele.	55c	Jan. 15	Dec. 31
Maritime Tele.	17½c	Jan. 15	Dec. 20
Do., extra	10c	Jan. 15	Dec. 20
Do., pref.	17½c	Jan. 15	Dec. 20
Naybob Gold	■1c	Jan. 15	Jan. 1
Do.	1c	Apr. 15	Apr. 1
Nat. Biscuit	†40c	Jan. 15	Dec. 31
Nat. Steel Car	50c	Jan. 15	Dec. 31
N. B. Telephone	12½c	Jan. 15	Dec. 31
Nor. Ont. Pwr.	12c	Jan. 25	Dec. 31
Do., pref.	$1.50	Jan. 25	Dec. 31
Penmans	75c	Feb. 15	Feb. 5
Do., pref.	$1.50	Feb. 1	Jan. 21
Power Corp.	15c	Feb. 1	Dec. 31
Do., pref.	$1.50	Jan. 15	Dec. 31
Do., 2nd pref.	75c	Jan. 15	Dec. 31
Preston E. Dome	5c	Jan. 15	Dec. 31
Do., extra	5c	Jan. 15	Dec. 31
Premier Gold	3c	Jan. 15	Dec. 26
Quebec Power	25c	Feb. 25	Jan. 25
South. Can. Pr.	20c	Feb. 15	Jan. 31
Do., pref.	$1.50	Jan. 15	Dec. 20
Silbak Premier	4c	Jan. 25	Jan. 3
Shawinigan W.	23c	Feb. 25	Jan. 25
Stand. Chemical	50c	Jan. 31	Dec. 31
Steel of Can.	43¾c	Feb. 1	Jan. 7
Do., extra	$2	Feb. 1	Jan. 7
Do., pref.	43¾c	Feb. 1	Jan. 7
St. Law. Corp., A	25c	Jan. 15	Jan. 2
St. Law. Paper, p.	50c	Jan. 15	Jan. 2
Sheep C. Gold	4c	Jan. 15	Dec. 31
Smith, H. Pap., p.	$1.50	Jan. 15	Dec. 31
Spud Val. G.	2c	Jan. 10	Dec. 31
Tuckett Tob., pf.	$1.75	Jan. 15	Dec. 31
United Bond & S.	15c	Jan. 15	Dec. 31
Weston, Geo., pf.	$1.25	Feb. 1	Jan. 15
Wood, A. & J., p.	$1.75	Feb. 1	Jan. 14
Western Grocers	75c	Jan. 15	Dec. 20
Do., pref.	$1.75	Jan. 15	Dec. 20
Wr.-Harg., interim	11.1c	Jan. 20	Dec. 2
Zellers, pref.	.37½	Feb. 1	Jan. 15

†Payable in U. S. funds.
■Subject to approval by Foreign Exchange Control Board.
⸸Subject to approval by Securities and Exchange Commission.

DIVIDEND NOTICES

The Dominion Bank

Dividend No. 233

Notice is hereby given that a dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 31st January, 1941. The dividend will be payable at the Head Office of the Bank and its Branches on and after Saturday, the 1st day of February, 1941, to shareholders of record of the 20th January, 1941.

By Order of the Board.
ROBERT RAE,
General Manager.
Toronto, 12th December, 1940.

The Canadian Bank of Commerce

Dividend No. 216

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st January, 1941, and that the same will be payable at the Bank and its Branches on and after Saturday, 1st February next, to shareholders of record at the close of business on the 31st December, 1940. The Transfer Books will not be closed.

By Order of the Board.
A. E. ARSCOTT,
General Manager.
Toronto, 13th December, 1940.

The Bank of Toronto

ANNUAL MEETING

The Annual Meeting of the shareholders will be held at the Head Office of the Bank, King and Bay Streets, Toronto, on Wednesday, the Fifteenth day of January, 1941, the chair to be taken at noon.

F. H. MARSH,
General Manager.

Anglo-Canadian Telephone Company

PREFERRED DIVIDEND NOTICE

NOTICE is hereby given that a dividend of One and Three-Eighths Per Cent (1⅜%) has been declared on the 5½% Cumulative Preferred Stock of the Company for the quarter ending January 31, 1941, payable February 1, 1941, to Stockholders of record at the close of business on January 15, 1941.

By Order of the Board,
GEOFFREY PURDY,
Secretary.
Montreal,
January 6, 1941.

Manitoba M. L. A. Contends Pools Should Pay Tax

Strong protest has been made to action of the Manitoba Legislature in granting certain changes in the set-up of the Manitoba Pool Elevators Ltd. through amendments to the Manitoba Pool Incorporation Act.

General H. D. B. Ketchen, M.L.A., has forwarded a letter outlining his reasons for objecting to the amendments.

He maintains that the Manitoba Pool should return $2.9 millions to the farmers who advanced the money in the years from 1924 to 1930 to finance the building of line elevators now being used by the Pool. This sum was deducted from payments to farmers who pooled their grain during the period. Now, he claims, the statement is made in the Manitoba Legislature that there is no equity left to repay this sum.

Avoid Tax Payments

Gen. Ketchen also takes issue with the avoidance of payment of income taxes by the Manitoba Pool. He points out that in the year ended June 30, 1940, Manitoba Pool Elevators Ltd. had net income of $585,822 which would have been subject to income taxation if realized by a non-co-operative company. In the years from 1933 to 1939 inclusive, the Manitoba Pool realized net income of $2.3 millions "on which the pool should have paid income taxes."

Gen. Ketchen in his statement characterizes the action as a "deliberate attempt on the part of the Manitoba Pool to seek to evade payment of these taxes." He maintains that, by passing the requested amendments, the Manitoba Legislature became a party to this tax evasion scheme .

Gen. Ketchen's third count against the Manitoba Pool is that it has "certainly some moral obligation" to repay $1.3 million which the province wrote off advances made in 1930 through guarantees of wheat pool liabilities. A balance of $2.1 millions is being paid off out of earnings of the pool from year to year.

He contends, moreover, that by changing the form of the local pool elevator associations from limited liability organizations to co-operative organizations, the farmers lose an important protection against liability for losses due to possible mismanagement in the future.

Goderich Elevator Close to Peak

The 18 million bushels of grain handled by Goderich Elevator & Transit Co. in 1940 was the second best season, for volume, in the company's history, according to G. L. Parsons, president of the company. Since two thirds of the volume went for export trade on which the elevator allowance is one half that for domestic trade, revenues did not keep pace with volume.

Past records show that the company only exceeded 18 million bushels in 1925.

Mr. Parson's review of the season's activities was contained in a letter to shareholders accompanying the current dividend.

Mining Dividends

	Rate	Close Jan. 6	Yield %
Anglo-Huronian	10c	2.75	...
Beattie Gold	16c+2c	1.20	*15
Bralorne	80c+40c	10.50	*11.4
Broulan Porc.	6c	.94	..
Buffalo Ankerite	†31c	5.00	..
Bulolo Gold	$3	17.50	17.1
Can. Malartic	8c	.48	..
Cariboo Gold	16c+8c	2.35	*10.2
Central Patricia	16c+7c	1.90	*12.1
Chesterville	†5c	1.47	..
Cochenour Willans	†3c	.99¾	..
Coniagas	‡25c	1.35	..
Coniaurum	16c+2c	1.55	*11.6
Cons. Smelters	$1+$1.25	38.00	*5.9
Delnite	‡6c	.90	..
Dome Mines	$2	24.75	8.1
East Malartic	30c	2.75	10.9
Francoeur Gold	†3c	.52	..
God's Lake	2½c	.37	..
Goldale	2c	.16	..
Gold Belt	†2c	.30	..
Gunnar Gold	‡6c	.37	...
Hallnor	60c	5.25	11.4
Hard Rock	‡10c	1.04	...
Hedley Mascot	‡8c	.58	...
Hollinger	65c+45c	13.00	*8.4
Howey Gold	‡5c	.28½	..
Hudson Bay	$1.75	27.00	6.4
Inter. Nickel, com.	$2	34.75	5.7
Island Mountain	15c	.80	...
Kerr Addison	‡15c	3.85	...
Kerr Lake	‡10c	.20	...
Kirkland Lake	10c+2c	.96	...
Kootenay Belle	‡12c	.25	...
Lamaque Gold	40c+10c	5.00	*10
Lake Shore	$2	20.00	10
Leitch	8c	.59½	13.4
Little Long Lac	30c	2.00	15
Macassa	32c+3c	4.25	*8.2
Madsen R. Lake	6c	.59½	..
McGillivray Coal	3c+1c	.25	...
McKenzie Red L.	⸸12c	1.21	9.9
McWatters	10c	.24	..
Moneta	12c	.54	..
McIntyre Porc.	$2.05½+1■	51.25	*5.8
MacLeod-Cockshutt	‡20c	2.25	..
Naybob Gold	4c	.30	..
Nipissing	15c	1.17	..
Noranda	$4	57.50	6.9
North Empire	‡50c	6.25	..
O'Brien Gold	‡10c	1.09	..
Pamour Porc.	12c	1.55	7.7
Pato Cons.	20c	2.65	...
Paymaster	2c	.24	...
Perron Gold	16c+4c	1.68	*11.9
Pioneer, B.C.	40c	2.20	18.1
Pickle Crow	40c	3.00	13.3
Placer Develop.	$1.20	9.25	13
Premier	12c	.90	13.3
Preston E. Dome	20c+5c	3.30	*7.6
Privateer Mine	‡16c+2c	.61	..
Powell Rouyn	20c	1.00	..
Quebec Gold	‡2c	.28	...
Relief Arlington	†5c	.03	...
San Antonio	14c+6c	2.60	*7.7
Sheep Creek	16c+3c	.85	*22.3
Sherritt Gordon	10c	.82	...
Sigma Mines	‡45c	8.75	..
Silbak Premier	16c	.65	24.60
Siscoe	‡11½c	.55	..
Sturgeon River	†2c	.17	..
Sudbury Basin	2½c	1.25	..
Sullivan Cons.	‡9c	.63	..
Surf Inlet	†1½c	.10	...
Sylvanite Gold	20c+10c	2.95	*10.2
Teck-Hughes	40c+5c	3.50	*12.8
Toburn	8c+12c	1.55	*12.9
Upper Canada	‡6c	2.18	..
Ventures	15c	3.20	..
Waite Amulet	†10c	3.75	..
Wendigo	†3c	.21	...
Wright-Harg.	40c+30c	6.90	*10.2

*Yield including bonus. †Initial.
‡Paid in 1940.
■An extra dividend of $1.11 declared payable Jan. 2, 1941.
⸸Plus 1 sh. McMarmac Red Lake Gold Mines for each 5 shs. McKenzie held.

DIVIDEND NOTICES

Hollinger Consolidated Gold Mines Limited

DIVIDEND NUMBER 340

A regular dividend of 1% has been declared by the Directors on the Capital Stock of the Company, payable on the 28th day of January, 1941, to shareholders of record at the close of business on the 14th day of January, 1941.

Dated the 7th day of January, 1941.
I. McIVOR,
Assistant-Treasurer.

Penmans Limited

Dividend Notice

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 31st day of January, 1941.

On the Preferred Stock, one and one-half per cent (1½%), payable on the 1st day of February to Shareholders of record of the 21st day of January, 1941.

On the Common Stock, seventy-five cents (75c) per share, payable on the 15th day of February to Shareholders of record of the 5th day of February, 1941.

By Order of the Board.
C. B. ROBINSON,
Secretary-Treasurer.
Montreal,
January 6, 1941.

Commodities

A firmer trend in the commodity markets this week is attributable in the main to:

More favorable war news.

Speeding up of the war production programme of the United States as indicated in President Roosevelt's speech.

The more favorable war news was a strengthening factor discouraging those market interests who had believed that a negotiated peace might be seen at an early date. A long war is regarded as likely to bring higher prices and the British-African victories indicate that a negotiated peace is far off.

The pronouncements of President Roosevelt mean that the productive capacities of the United States are to be turned to war supplies, meaning a heavier demand for materials of all sorts.

One feature of the markets that attracted attention was the relative strength in the United States of agricultural commodities while industrial commodities stood practically steady. Some saw in this the hand of the Washington Government to bring about a closer alignment between the two groups.

	Latest week	Previous week	Same week last yr.
Cattle	$9.25	$9.50	$7.75
Hogs	11.00	11.00	12.15
Copper, lb.	.12	.12	.12½
Cotton, lb.	.1061	.1050	.1166
Rubber, lb.	.2062	.2063	.1912
Silk, lb.	2.56	2.56	4.15
Sugar, raw, lb.	.0290	.0291	.0282
Wheat, Man. (bu.)	.74¼	.73⅞	.82⅝
Coffee, lb.	.05¼	.05¼	.05⅜
Hides	.13	.13	.15
Weekly Indices			
Canada (D.B.S.)	84.2	84.2	82.2
Do., Wood, Gundy	67.6	67.3	68.1
U. S. Labor	79.9	79.7	79.4
Dow Jones (future)	57.19	56.79	62.98
Fishers'	85.4	85.2	86.3
Monthly Indices			
Canada (D.B.S.):			
Retail (Nov.)*	107.8	107.0	103.8
W'sale (Nov.)	84.0	83.3	80.4
U. S. (Sept.)	78.0	77.4	79.1
Gt. Brit. (June)	134.6	133.7	98.1

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1930 base. *Base 1935-39=100.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. Silk—Crack db., 13-15 New York. Sugar — 96 degrees centrifugal c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis. Hides—No. 1 packer light.

Ottawa Plans More Storage

Is Worried About Deterioration of Grain in Temporary Shelters

From Our Own Correspondent

OTTAWA.—Steps will be taken as soon as the spring break-up comes to augment existing elevator capacity. But this will not be permanent construction.

Much wheat is now being stored in provisional quarters in western Canada. There is anxiety as to how this wheat is keeping, as there are no facilities in the provisional quarters for drying. Anxiety, too, exists with respect to wheat being stored on the farm.

It will be remarkable if much of this wheat in temporary storage does not "heat" and lose grade. And it will be more remarkable if insects and rodents do not take a heavy toll. Steps are being taken to protect the wheat against the vermin, but none is possible with respect to heating except by passing the grain through regular elevators for reconditioning.

2nd Inter-State Royalty Reports on Position

From Our Own Correspondent

MONTREAL.—Second Inter-State Royalty Corp. reports an investment in oil royalties as at Nov. 30, 1940, with a book value of $212,017.

Gross revenue from royalty income since acquisition amounted to $50,075 to Oct. 31, 1940, and reserve for depletion totalled $13,769.

During October last the corporation had a gross royalty income of $463, while accumulated royalty income for the year 1940 to the end of October amounted to $6,432.

Week in Wheat

Shipments to Lakehead Allowed Under Permit

Available Space Likely Filled by Wheat in Transit — Private Crop Estimate 36 Million Bushels Below Government Figure

From Our Own Correspondent

WINNIPEG.—Wheat is moving from country elevators to Fort William only under permit. Shipments have been allowed only in cases where the grain is of poor keeping quality.

As was expected, the railway embargo on coarse grains to the head of the lakes lasted only a short time. It continues, however, on shipments of wheat. It is calculated that wheat en route to lakehead terminals will fill all available space, with the exception of two million bushels or so reserved for the accommodation of out-of-condition grain. Permission to ship such grain is granted through the Canadian Wheat Board. Alberta farmers, however, where most of the tough and damp grain is situated, have been slower to make deliveries of such grain than had been anticipated, in spite of warnings that its keeping qualities are doubtful until it is properly stored and treated in terminal elevators.

Shipments of coarse grains are allowed to continue because they place practically no strain on terminal facilities, going largely to eastern farmers for feeding. A good demand continues for such grain.

Crop Overestimated

Searle Grain Company, as a result of a crop survey just completed, places the total wheat production of the Prairie Provinces at 484 million bushels, as against the latest Dominion Government estimate of 520 million bushels. The report states that later information on yields per acre indicates that higher estimates made earlier in the season have not been maintained.

The fact that an estimate can be made at this date of the wheat crop, which is 36 million bushels below the official government estimate, indicates the difficulty of exact calculation of the size of a crop. Difficulty is increased this year by the slowness of deliveries, due to elevator congestion, and also by the fact that in Alberta a certain quantity of grain, impossible to calculate, was lost as the result of unfavorable harvesting weather.

* * *

Argent'e Export Prospects

Export shipments of new crop wheat are commencing from Argentine. While most of these are to Brazil, space has been found for some shipments to Great Britain. General expectation, however, is that overseas export will be extremely restricted, and that such shipping space as is available to British ports will be mainly taken up with either meat or corn.

Some suggestions are beginning to appear from United States sources that movement of Argentine wheat to Great Britain might be facilitated by transport in American vessels as far as Cuba, and transferred there to British ships. It would be a cumbrous and expensive movement, as compared with the transport of Canadian wheat.

* * *

Farm Stored Wheat

The Canadian Wheat Board continues to enlarge delivery quotas as shipping points wherever there is unoccupied space. Wide differences of opinion prevail as to the extent to which farmers are refraining from delivering wheat because they wish to earn the farm storage thereon which is now allowed in the Wheat Board schedule of payments. Undoubtedly such a tendency exists in some districts. But a considerable part of the unoccupied elevator space in the West is at points where crops were small, and where farmers have already delivered practically all of their wheat.

Wheat Prices

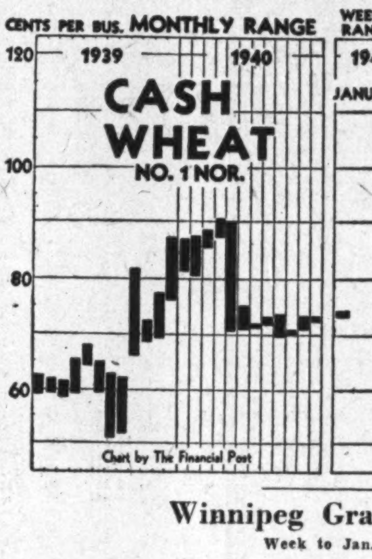

Chart by The Financial Post

Cash Quotations

	For Week Jan. 6 High	Low	Prev. Week High	Low
Wheat:				
1 hard	.74¼	.73¾	.73⅞	.72⅞
1 Nor.	.74¼	.73¾	.73⅞	.72⅞
2 Nor.	.72	.71¼	.71⅜	.70⅜
3 Nor.	.68⅞	.68¾	.68⅝	.67⅜
4 Nor.	.66⅝	.65¾	.63⅝	.62⅜
5 Wheat	.63⅞	.63¼	.63⅝	.62⅜
6 Wheat	.62⅜	.61¾	.61⅞	.60⅞
Feed	.60⅝	.59¾	.59⅞	.58⅞
Oats:				
2 C. W.	.34¼	.33⅛	.33⅝	.32½
3 C. W.	.32	.30¾	.30⅝	.29½
Barley:				
1 Feed	.42¼	.40⅞	.41	.39⅞
2 Feed	.41¾	.40⅜	.40½	.39⅜
Flax:				
1 C. W.	1.43⅜	1.36½	1.35½	1.32½
2 C. W.	1.39⅝	1.32½	1.31½	1.28½
Rye:				
2 C. W.	.47¾	.45⅞	.45½	.45

Winnipeg Grain Futures

Week to Jan. 6, 1941

Crop year from Aug. 1, 1940 High	Low		Open Dec. 30	High for week	Low for week	Close Jan. 6	Close year ago
		Wheat					
.74¾	.71⅝	Dec.	.74	.74	.73⅞	.....	.....
.78¾	.71⅝	May	.77¼	.77¾	.77⅛	.77⅝	.86⅝
.80½	.77½	July	.79	.79⅝	.78⅞	.79¼	.87½
		Oats					
.34⅞	.25⅝	Dec.	.33⅝	.34⅝	.33½	.....	.....
.34⅝	.26⅝	May	.33⅛	.34⅝	.33⅝	.34½	.40⅛
.33	.29½	July	.32	.33	.31⅞	.33	.38¾
		Barley					
.48½	.30½	Dec.	.44¾	.45	.44	.....	.....
.46⅞	.33⅝	May	.45⅛	.45⅝	.44⅝	.45½	.51½
.44⅞	.39⅞	July	.43⅝	.43¾	.43⅛	.43¾	.50⅝
		Flax					
1.38½	1.15¼	Dec.	1.37⅝	1.38½	1.37	......	......
1.47⅝	1.16	May	1.40	1.47⅝	1.40	1.47⅝	1.95
1.46⅝	1.29½	July	1.42⅜	1.46⅝	1.42	1.46⅝	1.94
		Rye					
.49⅛	.40¾	Dec.	.45¾	.47½	.45¾	.....	.....
.52	.44¼	May	.48⅞	.51	.48⅝	.50¾	.76⅞
.51⅝	.49⅛	July	.49¼	.51⅝	.49¼	.51⅛	.75⅜

Company Reports

Fleury-Bissell

Fleury-Bissell Ltd., makers of farm implements, report net loss of $44,379 for the year ended Oct. 31, 1940, without providing for depreciation except on motor trucks and cars. The last previous report issued covered the 17-month period ended Oct. 31, 1939, when a loss of $17,246 was reported.

H. C. Hatch, president, informs shareholders that results from operations were disappointing. Farm conditions did not improve to the extent expected. Consolidation of manufacturing at the Elora plant is progressing and will be completed early this year.

Balance sheet shows an increase in bank loans to $120,600 from $46,000. The company showed $57,000 of 5% income debentures outstanding at Oct. 31 last of which $4,000 matured Dec. 1, 1940. Preferred dividends are in arrears from May 31, 1938.

Profit and Loss Account
Year Ended Oct. 31, 1940

	$
Operating loss	23,792
Add: Executive salaries	10,462
Deprec. on trucks	2,895
Debenture int.	2,866
Moving expenses	4,364
Loss for year	44,379
Add: Previous deficit	15,490
Deficit forward	59,869

Working Capital
As at Oct. 31

	1940 $	1939 $
Current assets	302,669	285,521
Current liabilities	145,076	62,015
Working capital	157,593	223,506

Canada Cement

Canada Cement Co. reports consolidated profit for the year ended Nov. 30, 1940, of $5,253,008. This compares with $3,850,454 the year before. Owing to heavier prior charges, particularly income and profit taxes, net profit available on the common stock amounted to 4 cents a share, as against 28 cents a share the year before.

A feature of the balance sheet position as at November 30 is the relatively sharp reduction in bonded debt. During the year $3 millions of short-term bonds were called and redeemed, leaving only the long-term bonds amounting to $10.5 millions outstanding. This operation in part accounted for the reduction in net working capital from $3.4 millions to $2.7 millions. Inventories are lower by about $400,000 at $1.2 million, while cash on hand increased from $1.3 million to $1.9 million. Holdings of the company's own bonds, reflecting the redemption of the short term, declined from $1,047,000 to $93,500.

Comparative figures on the profit and loss account follow:

Consolidated Profit and Loss Account
Years Ended Nov. 30

	1940 $	1939 $
Operating profit*	5,224,221	3,793,606
Add: Inc. from invest.	28,787	56,848
Total revenue	5,253,008	3,850,454
Less: Bond interest	505,488	592,507
Mortgage interest	25,300	27,300
Prov. for deprec.	1,500,000	1,250,000
Proportion of bond ref. exp.	110,000	110,000
Prov. for taxes	1,780,000	395,000
Net profit	1,332,220	1,475,647
Add: Prev. surplus	2,579,114	2,107,812
	3,911,334	3,563,459
Less: Divds. on pref.	1,004,345	1,004,345
Surplus forward	2,906,989	2,579,114
*After ded. following items:		
Executive remun., dir. fees & legal exp.	90,725	87,749
Extraord. repairs & renewals	......	40,000
Earnings per Share:		
Preferred	6.63	7.35
Paid	5.00	5.00
Common	.04	.28
Working Capital		
Current assets	4,969,959	4,494,211
Current liabilities	2,234,619	1,078,020
Net working capital	2,735,340	3,416,191

Inter. Paints (Canada)

International Paints (Canada) Ltd. reports operating earnings of $269,417 in the year ended Sept. 30, against $212,807 in the preceding year.

Net profit amounted to $52,500 in both years. This was sufficient to cover preferred dividends on the 5% stock, and provide for payment of 1¼% on arrears. Reserve for income tax totalled $86,188 in the 1940 fiscal year, compared with $25,587 in 1939. Appropriation for future redemption of bonds totalled $30,458 in the year under review, against $50,406 in 1939.

Working capital rose from $624,730 to $657,757.

Assets Revised Up

An appraisal of the company's property assets was made during the year, which disclosed a value of $150,917 in excess of that at which they are carried on the company's books. Directors of the company have not reached a decision as to how this excess is to be treated, and accordingly it is not reflected in the balance sheet at Sept. 30, 1940, according to Frank M. Ross, president.

Following is a review of comparative financial statement for the two years:

Income and Surplus Account
Years Ended Sept. 30

	1940 $	1939 $
Operating earnings	269,417	212,807
Less: Legal fees	302	1,331
Exec. salaries	27,902	25,814
Directors' fees	2,000	2,080
Add: Other income	928	2,093
Total net income	240,041	185,675
Less: Depreciation	37,640	36,883
Interest	4,784	6,022
Income tax	86,188	25,587
Trans. to gen. res.	19,771	14,277
Bond amort. res.	30,458	50,406
Bad debt res.	8,800	...
Net profit	52,500	52,500
Less: Pref. divds.	52,490	52,490
Surplus for year	10	10
Add: Prev. surplus	64,900	64,571
Bond exch. profit	2,380	...
Assets sale profit	....	84
Inc. tax adj.	...	235
Less: Assets sale loss	2,022	...
Inc. tax adj.	423	...
Surplus forward	64,845	64,900
Working Capital		
Current assets	872,397	739,835
Current liabilities	214,640	115,105
Working capital	657,757	624,730
Balance Sheet Changes		
Cash	135,322	100,703
Inventories	404,218	296,886
Accts. payable	119,837	87,728
Funded debt	58,400	87,600
General reserve	68,528	48,756

Distillers Corp.-Seagrams

MONTREAL.—Sales of Distillers Corp.-Seagrams Ltd. for the three months ended Oct. 31, 1940, amounted to nearly $26.3 millions, an increase of about $1 million over that for the like period of 1939. However, due to a relatively sharp increase in general expenses, net profit for the period totalled only $1,294,294. This contrasts with $3,447,902 for the three months ended Oct. 31, 1939.

Consol. Profit and Loss Account
Three Months Ended Oct. 31

	1940 $	1939 $
Sales	26,270,159	25,475,084
Less: Cost of goods sold	18,877,459	16,979,761
Add: Misc. income	33,755	32,828
Total revenue	7,426,455	8,528,151
Less: General exps.	4,995,277	2,760,286
Directors' fee	250	225
Executive sal.	82,880	82,375
Legal fees	58,023	44,842
Interest (net)	69,879	58,391
Depreciation*	43,718	40,804
Loss on assets	53,831	60,311
Inc. & profits tax	819,243	1,033,014
	1,303,353	3,447,902
Exchange adjusts.	9,059	......
Net profit	1,294,294	3,447,902
*Deprec. provided during period amounted to	315,525	281,053
Of which there was charged to cost of production	271,807	240,250
And the bal. as above	43,718	40,803
	315,525	281,053

Public Utility Earnings

Jamaica Public Service
November

	1940 $	1939 $
Oper. revenue	95,310	80,491
Gr. inc. after retire. acct.	*29,776	*18,766
Net income	21,564	*9,298
11 Months Ended November		
Oper. revenue	987,235	907,219
Gr. inc. after retire. acct.	292,136	280,200
Net income	196,554	185,354

*After partial provision for additional income taxes for 1939 of approximately $3,800 which might result from a proposed amendment to the Jamaican income tax law.

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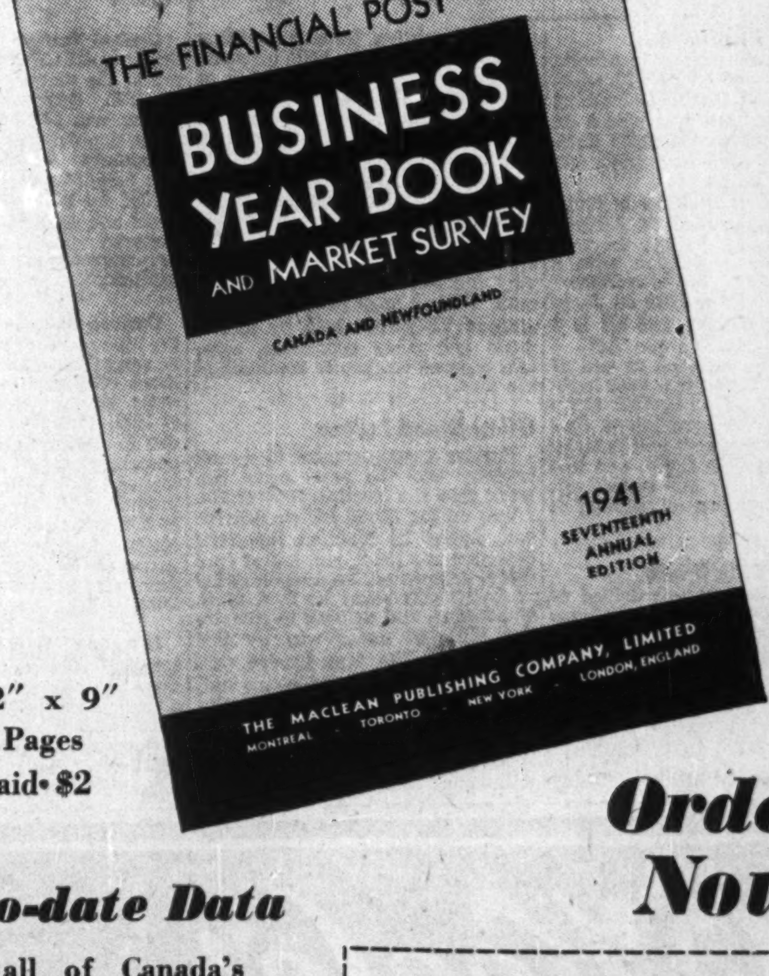

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Week in Mining

No Change in Gold Seen From U.S. Move

Federal Reserve Board Recommendation That Gold Revaluation Powers be Allowed to Expire Only Result of War Inflation Fear

Although the board of governors of the Federal Reserve System has made a recommendation to the United States Congress that President Roosevelt's powers to revalue gold be allowed to expire, no great change in the position of gold appears likely to result from this move. As war spending has been gradually increasing purchasing power in the United States, an upward revision of the price of gold as a stimulus to business has not been a cogent issue for some time.

If the Reserve Board's recommendation is implemented and a higher price for gold is ruled out, the possibility of a lower price for gold seems also to be equally ruled out. There was certainly no hint of lowering the price of gold in the Board's recommendations.

Don't Want Price Rise

Fear of a rearmament inflation boom was the factor prompting the move of the Reserve Board. For years there have been excess bank reserves in the United States, caused in large part by a flow of gold to the United States not completely offset by the United States treasury policy of sterilizing gold as money. Now with the heavy war spending in the United States, the men who control the banking system there wish to keep these excess cash reserves from causing an inflation of prices as spending on armaments creates a tendency in that direction.

The Federal Reserve System has also asked that the United States Government take action to sterilize further gold imports so that they will not have the ultimate effect of raising prices—something that the Federal Reserve System does not want.

* * *

Gold After the War

The Economist—United Kingdom authority on finance—visualizes a continuation of close exchange regulation after the war and makes some interesting points on the position of gold. Here is some of The Economist commentary:

"But if there is to be an international settling medium, will it be gold? The answer must be that it is difficult to see what else it could be. Gold has had to bear the odium of a situation that would have afflicted any alternative medium . . . With all the prejudice against gold that undoubtedly exists, there is certainly no other substance as acceptable in payment of debts, without tariff barrier or limitation of amount, as gold . . . Further, there are powerful interests involved in retaining gold, whose value depends entirely on the monetary value for it. The United States will not want to throw away such a fabulous investment; the British Commonwealth and Soviet Russia will not want to devalue a substance of which they are the largest producers."

* * *

U. S. Wants Our Copper?

Apparently there is not a full appreciation of the extent of the Canadian and British war effort in the United States. In commenting on the growing need for more copper in the United States, The Wall Street Journal says: "It might be found necessary some time this year to divert a portion of Canada's production to the United States for use in manufacturing England's orders here." Another statement is: "In order to satisfy operations of U. S. fabricators at peak, it would be necessary to absorb or divert all Canada's copper production, which is roughly estimated to be running at the annual rate of 350,000 tons."

Canada will certainly not be able to send all her copper to the States, to say the least.

* * *

Naybob Anomaly

Naybob Gold Mines is in the peculiar situation of a company paying dividends with over a million shares of stock still held in pool.

Pools on vendor stock are usually instituted to assist mine financing and the bringing of a property into production. In the case of Naybob, the company is now fully financed, the treasury position has been built up, and dividends are being paid. The object of having the shares held in pool appears to have gone entirely.

The company's shares are pooled at the discretion of the Ontario Securities Commission and the Toronto Stock Exchange and they will remain pooled until the company asks for their release. So far there has been no application by the company to have the shares released—so the TSE says. No doubt the owners of the shares will not want their shares tied up indefinitely.

Week in Oils

Proving New Oil Field Boosts Alberta Picture

From Our Own Correspondent

CALGARY.—The successful completion of Standard Oil's Princess No. 2 well, proving the important gas-yielding Steveville area as a new source of Alberta crude oil, and the promising outlook for several other "wildcat" wells now near completion, has vitally and favorably affected the outlook for the Alberta oil industry at this start of a new year.

Now more certain than ever that the Foothills Province has several "Turner Valleys" awaiting discovery, oilmen are talking more confidently of heavily increased development, and an increased contribution to the nation's war effort during this year 1941.

Princess a Producer

The new bright chapter in Alberta oil history opened on Dec. 30, when Standard Oil of British Columbia's Princess No. 2 well was placed on production from the Madison limestone in the Steveville field, 125 miles east of Calgary.

Showing the largest steady crude oil yield yet recorded in Alberta, outside of Turner Valley, the well was placed on production with a steady flow of 160 bbls. of crude and between 4.6 and 5 million cu. ft. of natural gas per day. The oil is a dark, heavy, sweet crude with a gravity ranging between 24 and 27 degrees API. Laboratory tests early this week show it to contain about 2½% of water in emulsion—a condition comparable with that in many great oil producing fields, and one that does not offer any serious obstacles to production or refining of the crude.

* * *

Open Test This Week

The Princess well was drilled to 4,250 ft. deep in the Devonian lime. As commercial production was not obtained in the Devonian, the well was plugged back to 3,300 ft. for a test of prospective oil and gas zones in the Madison, cored but not otherwise tested while drilling was in progress.

After the cement had been drilled out, a formation tester permitting yield through a ⅜ in. bean or choke was run at the end of a string of tubing to 3,180 ft. Opened up, the well commenced flowing about 40 minutes later through the small bean, and continued at a steady rate until last week end, when the well was "killed" to permit removal of the tester and the tubing.

The success of Princess No. 2 is expected to lead to further and probably increased development in the area. While a large number of small acreage blocks are held by individuals and other companies, some half a dozen companies dominate in the area.

* * *

Oil at Blood Indian

Further encouragement to the oil industry was the news early this week that the Northwest-West No. 1 well on the Blood Indian Reserve had topped its Madison limestone objective at 6,118 ft. and pulled core which dripped oil. Production string of casing was being set at 6,127 ft. on Monday, and drilling to completion will get under way by this week end. The test, located just southwest of the City of Lethbridge, is the first undertaken by the Northwest Co. under the agreement by which it is developing the extensive Blood Reserve holdings of West Petroleums Ltd.

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La Luz to Boost Mill Capacity

Increase to 1,500 Tons Daily Authorized—Dividends on Way

While the milling plant of La Luz Mines is now treating 1,000 tons of ore daily, tonnage could be increased still further to 1,200 tons daily, if desired, but would result in lowering extraction to 90%, shareholders were informed by President Thayer Lindsley, at the company's annual meeting this week.

A third ball mill has been authorized, however, and with slight additions to the cyanide plant, the whole operation will have a capacity of close to 1,500 tons daily, it is stated. Construction is going ahead on the hydro-electric power plant with power expected to be available about Sept. 30.

Expect $200,000 Output

Plans call for production to be stabilized around $200,000 monthly during the period of further construction. Operating profits of $100,000 realized monthly will be applied to cost of the new construction and to reduction of debts. If world conditions permit, Mr. Lindsley expects the way will be cleared for dividends by the beginning of the new fiscal year.

Directors have been well satisfied with progress made and indications are that the property will become a good dividend payer before long, according to Mr. Lindsley. Both Ventures Ltd. and Sudbury Basin Mines stand to benefit when distributions to shareholders are commenced, as each is a substantial shareholder.

Yama Ready to Mill Around March 11

Installation of the former Tashota mill at the property of Yama Gold Mines is expected to be completed around Mar. 11, together with certain other equipment which the company plans to use in its projected programme of bulk sampling, The Financial Post is informed.

A hydro-electric power line is now being completed into the property and it is expected that power will be available when other installations are completed.

After completion of a thorough programme of bulk sampling, a decision will be made on the grade to be mined and the size of the permanent mill can be determined. Drifting east on the centre branch of the "F" zone at the 375-ft. level is reported to be in high-grade ore again.

Peg Ore Grade At San Antonio

Ore Treated Likely to Grade Same at Higher Milling Rate

The increase in milling capacity from 330 to 550 tons daily at San Antonio Gold Mines, for which equipment has already been ordered, is not expected to result in any great change in average grade of ore treated, The Financial Post is informed.

In spite of this, it is possible that conditions might arise to alter the company's policy in this regard, either one way or the other.

Hope For Same Costs

While it will be impossible to secure definite information on the point until the addition to the mill capacity turns over, it is hoped that the increase in milling capacity will allow a continuation of recent costs, offsetting the increase in the prices of supplies the company has to purchase.

On the 16th or bottom level—the most advanced of the new block of levels—500 ft. of ore has now been opened up which is mostly in the No. 40 ore body. The length, however, also includes some ore in No. 42 vein. Widths up to 30 and 35 ft. have been encountered with the grade roughly estimated at 0.30 oz. It is still considered a little too early, however, to make any definite statement on ore dimensions until full widths have been slashed out.

On the 15th level—the second deepest—upwards of 300 ft. of ore have been opened up which will average about 16 ft. in width. The only other level at which the ore zone has been entered is the 14th. Only one vein has been encountered there as yet and insufficient work has been done to identify it with certainty.

Century Mining Corp. Works on New Mill

From Our Own Correspondent

WINNIPEG. — A 150-ton mill is being installed at the Golden West mine of Century Mining Corp., Elbow lake, just north of Cranberry Portage. Large shipments of cement have been taken in for foundation work and a good sized crew is employed.

Part of the machinery and equipment was freighted in a year ago and the balance is now on the way. Logs are being hauled to the property at the rate of 100 a day and are rapidly being turned into lumber for the necessary buildings. Dr. J. Frank Wright, the company's geologist, is at the property and is superintending the work.

Mining Concentrates

Buffalo Ankerite Gold Mines shareholders can anticipate regular dividends this year, according to President E. G. Kinkel, as mining and milling costs are expected to be reduced. No indication is given as to what the rate of distribution will be. An increase in ore reserves is expected to be shown for Dec. 31, 1940, with a substantial amount of new ore developed since June 30, 1940, when reserves were reported at 824,546 tons.

* * *

Bonetal Gold Mines has completed its 75-ft. headframe and the three-compartment shaft is now down 200 ft. Sinking to 600 ft. is expected to be completed some time in April with levels at 150, 275, 400 and 525 ft. Crosscutting on two or more levels will then be started. Cost of equipment, buildings and a substantial programme of underground work will be covered by $75,000 received the last quarter and a $100,000 underwriting due $20,000 monthly starting January. If early work should encounter ore, it is possible that an agreement will be completed for treatment of ore at the Broulan mill, the company reports.

* * *

Central Patricia Gold Mines produced $1,420,625 from 87,317 tons of ore in the nine months ended Sept. 30, 1940. Operating profit for the period was $807,543 before income taxes, depreciation and deferred development. Estimated net profit was $486,334 after $168,775 was deducted for Dominion and provincial taxes and $152,434 for depreciation, deferred development and other pre-operating expenses and outside exploration.

* * *

Cariboo Gold Quartz net profit for the nine months ended Oct. 31, 1940, is reported equal to 20.2 cents a share compared with 28.06 cents a share for the corresponding period of 1939. The decline is stated to be due to a lower grade of ore while operating costs and taxes were higher. It was expected that the production rate would be boosted to 350 tons daily by the end of December with further increases to be governed by ore developments in new areas currently under exploration.

* * *

Lamaque Gold Mines earned $369,979 or 12 cents a share in the three months ended Nov. 30, 1940, a slight decrease from the previous quarter. Bullion production for the period totalled $1,270,900 from 110,390 tons of ore milled, an average recovery of $11.51 a ton. Development during the quarter opened up 1,357 ft. of new ore averaging $12.08 a ton across an average width of 5.9 ft. with gold at $35 an ounce. Ore reserves at Nov. 30, 1940, totalled 906,068 tons averaging $10.13 a ton.

* * *

Dome Mines reports a slight decrease in production in December:

1940:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
December	52,100	1,681	12.61	656,874
November	51,600	1,720	12.78	659,671

* * *

Duquesne Mining Co. has elected a new director in E. P. Mellon III of Pittsburg. A large block of stock is stated to be held by the Mellon interests and their associates in Duquesne.

* * *

Gold Belt Mining Co. recorded a slight increase in production in December:

1940:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
December	5,273	170	10.68	56,315
November	5,236	174	10.66	55,805

* * *

Paymaster Consolidated stepped up its production in December, the company reports:

1940:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
December	18,722	604	8.02	150,154
November	17,102	570	8.58	146,809

* * *

Silbak Premier Mines may carry out development of the adjoining Northern Light claims of Premier Broder Gold Mining Co., according to western advices. The Premier Border property is surrounded on three sides by the Silbak Premier property.

* * *

Sturgeon River Gold Mines produced $45,899 in December compared with $46,300 in the preceding month, it is reported. Production for 1940 was a new high at $513,156.

* * *

Sigma Mines showed a considerable increase in production in December:

1940:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
December	23,390	755	8.10	189,397
November	21,969	732	8.01	175,899

* * *

Teck-Hughes Gold Mines realized a profit of $489,858 equal to 10.2 cents a share in the three months ended Nov. 30, 1940. A total of 445 ft. of new ore was opened up in the quarter averaging $11.39 a ton across an average width of 6.3 ft. with gold at $35 an ounce. Ore reserves at Nov. 30, 1940, totalled 503,720 tons, averaging $10.10 a ton at $35 gold. Production for the November quarter was $845,841 from 73,410 tons milled, an average of $11.52 a ton.

* * *

Toburn Gold Mines production was slightly lower in November:

1940:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
November	5,120	171	23.82	121,980
October	5,255	170	23.50	123,859

* * *

Wright-Hargreaves Mines reports a slight decrease in production for the three months ended Nov. 30, 1940:

Quarter ended:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
Nov. 30/40	109,000	1,198	19.72	2,150,000
Nov. 30/39	109,000	1,198	19.90	2,171,000

REOPEN REGINA

From Our Own Correspondent

WINNIPEG.—A crew of men are leaving Winnipeg the first of the year to reopen the old Regina mine property on Regina Bay, east of Kenora. J. D. Shannon, who had remarkable success in opening up the Oro Grande property in Central Manitoba, is in charge and will superintend the work.

Dividends for January Are Down Slightly

This year is starting off with dividends scheduled for payment by Canadian companies down about $40,000 in January from the corresponding month of 1940, according to a preliminary estimate by The Financial Post.

In spite of the small decrease, January this year is going to rank high among the list of dividend disbursing months, being exceeded only in 1940 and 1938.

An unusual number of companies are paying extras this month, probably reflecting 1940's rate of earnings rather than any forecast of what may happen this year. Altogether, 20 companies are paying extras in January, six of them being gold mines.

Canadian Canners is paying five cents a share on both its first and second preferred stocks as participating dividends. Dominion Woollens is making an initial payment of 60 cents a share on its preferred. Naybob Gold is making a first payment of one cent a share.

Increased dividends are being paid this month by Algoma Steel, Canadian Westinghouse and Eastern Canada Savings. Four companies, Hamilton Cotton, International Paints, Sherwin-Williams and Price Bros., are paying on arrears. The latter eliminates accumulations with a disbursement of $1.37½.

Three concerns, Canada Trust, Northern Ontario Power and Thayers Ltd., have reduced dividends this time.

Summary of January Payments

	1941	1940
Dividends	22,897,902	22,938,309
Bond interest	32,407,000	32,766,000
Total	55,304,902	55,704,309

Dividend Payments

Industrials and Utilities

Company:	Rate $	Date	Amount $
Acme Glove, pfd.	3.25s	2	22,356
Agnew Surpass, p.	1.75q	2	15,333
Alta. Wood Pres., pf.	1.75q	2	3,843
Algoma Steel, pref.	2.50	1	55,037
Amer. Cyan., A, B	†.15q	2	392,755
Do., pref.	†.12½q	2	26,113
Assoc. Breweries, pf.	1.75q	2	13,367
Avalon Telephone	1.75a	2	16,544
Do., pref.	.87½s	2	14,000
Barker's Bread, pf.	.62½q	3	5,990
Beatty Bros., 2nd pf.	3.50s	2	23,786
Belding Cort.	1q	2	7,495
Do., pref.	1.75q	2	15,142
Bell Telephone	2q	15	1,638,958
Biltmore Hats	.15q	15	12,000
Brant. Cord., pf.	.32½q	15	12,418
Brazilian Tr., pf.	1.50q	2	5,901
B. C. Elec. Pwr., p.	1.50q	2	75,000
B. C. Power, A	.50q	15	500,000
B. C. Elec. Rly.	2½%s	15	174,600
B. C. Telephone, 1st pf.	1.50q	1	15,000
Building Prod.	.17½q	2	84,592
Do., extra	.10	2	48,338
Burlington Steel	.15q	2	21,000
Brompton Pulp & P.	.25	15	75,000
Canada Bread, pf.	1.25q	2	15,625
Do., B pref.	.62½q	2	15,625
Canada Cycle, c.	.30q	2	30,000
Do., extra	.20	2	20,000
Can. Nor. Power	■.25	25	100,000
Do., pref.	■1.75q	15	96,250
Canada Packers	.75q	2	150,000
Can. Canners	.12½q	2	17,223
Do., pref.	.25q	2	47,719
Do., participating	.05	2	9,543
Do., 2nd pref.	.15q	2	54,559
Do., participating	.05	2	18,186
Can. Breweries, pfd.	.75q	2	122,571
Can. Converters	.50	31	8,667
Can. Cottons	1q	2	27,155
Do., pref.	1.50q	2	54,922
Can. Fairbanks, p.	1.50q	15	17,517
Can. Gen. Elec.	2q	2	377,690
Can. Industries, pfd.	1.75q	15	81,375
Can. Light & Power	.50s	15	16,624
Can. West'ghouse	■.87½	1	477,750
Can. Wineries	.15	9	17,100
Can. Wire Box, A	.37½q	2	19,261
Carnation, pref.	†1.25q	2	36,732
Do., com.	†.50s	2	304,799
Cel. of Amer., prior p.	†1.75q	1	°288,431
Comm. Alcohol, pf.	.10q	15	5,000
Cons. Bakeries	25c	2	79,610
Consumers' Gas	2.50q	2	363,880
Dominion Coal, pf.	.38q	2	86,012
Dom. Foundries, c.	.25q	2	88,459
Dominion Glass	1.25q	2	53,125
Do., pref.	1.75q	2	45,500
Dom. Oilcloth	.30q	31	210,000
Do., extra	.10	31	70,000
Dom. Textile	1.25q	2	337,500
Do., pref.	1.75q	15	33,960
Dom. Woollens, pref.	▴.60	2	38,106
Easy Washing, pfd.	.17½q	2	1,125
Eastern Bakeries, p.	.81¼q	15	4,875
Eastern Steel, pfd.	.25q	2	4,500
Farmers' Telephone	.63s	31	2,504
Foundation Co.	.25	18	21,150
Gatineau Power, p.	1.25q	1	152,450
Do., 5½% pref.	1.38q	1	48,300
Goderich Elevator	.25s	2	21,001
Gordon & Belyea, p.	1.50q	2	¼ 1,983
Do., 2nd pref.	1.50q	2	126
Goodyear Tire	.63q	2	162,073
Do., pref.	.62½q	2	74,830
Greening Wire	.15q	2	28,500
Gt. Lakes Power, p.	1.75q	15	13,125
Gt. West Sadd., p.	.75	2	5,244
Ham. Cotton, pfd.	.50q	2	9,242
Do., arrears	1.25	2	23,106
Harding Carpets	.10s	2	17,352
Do., extra	.05	2	8,676
Highland Dairy, p.	3.50s	3	5,162
Honey Dew	.50	2	10,322
Hudson's Bay, pfd.	2½%	1	170,000
Inter. Bronze	.37½q	15	37,500
Do., pref.	.37½q	15	37,500
Intercol. Coal	3s	2	30,000
Do., extra	1	2	10,000
Do., pref.	4s	2	7,940
Inter. Milling, p.	†1.25q	15	71,681
Inter. Paints, pref.	1a	10	42,000
Do., arrears	.25	10	10,500
Inter. Util., $1.75 p.	♦†1.81¼	15	120,806
Inter. Power, pref.	1.75q	2	140,000
Jam. Pub. Serv.	.17q	2	22,950
Do., pref.	1.75q	2	13,125
Lang, J. A.	.17½q	2	17,500
Maritime Tel.	.17½q	15	66,504
Do., extra	.10	15	38,002
Do., pref.	.17½q	15	26,250
Mitchell, J. S., pf.	1.75q	2	4,778
Modern Contain.	.20q	1	5,000
Do., extra	.10	1	2,500
Do., pref.	1.37½q	1	4,125
Mtl. L. H. & Pr.	.38q	31	1,705,672
Montreal Telegraph	.55q	15	27,500
Montreal Tramways	1.50q	15	105,000
Moore Corp.	†.50q	2	200,728
Do., extra	†.60	2	240,873
Do., A, B, pref.	†1.75q	2	61,685
Nat. Breweries	.50q	2	360,686
Do., pref.	.43q	2	47,730
Nat. Grocers, pref.	.37½q	1	56,250
National Steel Car	.50q	15	87,750
N. B. Telephone	.12½q	15	79,491
Niag. W. Weav.	.50q	2	57,500
North. Ont. Power	.12	25	28,804
Do., pref.	1.50q	25	37,474
N. S. Light & Pr., ord.	1.50q	2	51,784
Ogilvie Flour, c.	.25q	2	150,000
Ottawa L. H. & Pr.	.25q	1	35,000
Do., pref.	1.25q	1	21,250
Ont. Silknit Fd. Rts.	1	15	10,000
Page-Hersey	1.25q	2	217,845
Porto Rico Power, p.	1.75q	2	17,500
Power Corp., pref.	1.50q	15	75,000
Do., 2nd pref.	.75q	15	75,000
Price Bros., pfd.	1.37½q	2	86,409
Do., arrears	°1.37½	2	86,409
Prov. Paper, pfd.	1.75q	2	61,250
Remington Rand	†.20	2	316,978
Do., pref.	†1.12½	2	208,047
R. S. Mills, A	.50q	2	15,000
Sher.-Williams, pf.	1.75q	2	60,550
Do., arrears	1.75	2	60,550
Smith H. Pap., pf.	1.50q	15	102,991
South. Can. Power, p.	1.50q	15	106,333
St. J. Drydock, pf.	1.37½q	2	4,840
St. Law. Corp., A	.25q	15	74,517
St. Law. Paper, p.	.50q	15	71,128
Standard Fuel, p.	1q	1	11,860
Stand. Chemical	.50	31	18,638
Stedman Bros.	.15q	2	13,500
Do., pref.	.75q	2	4,500
Supersilk K., pfd.	2.50s	2	12,307
Tamblyn	.20q	2	22,400
Do., pref.	.62½q	2	3,750
Tip Top Tailors	.15q	2	18,000
Do., pref.	1.75q	2	17,717
Tuckett Tob., pref.	1.75q	15	35,000
United Fuel, A pf.	.75q	2	67,500
Viau, pref.	1.25q	2	¼ 11,825
Wabasso Cotton	.50q	2	34,951
Western Grocers	.75q	15	¼ 12,706
Do., pref.	1.75q	15	20,899
Weston, Geo., c.	.20q	2	80,884
Wilsil	.25q	2	33,925
			14,031,237

Mining Companies

Company:	Rate $	Date	Amount $
Bralorne Mines	.20q	15	249,400
Do., extra	.10	15	124,700
Cariboo Gold	.04	2	53,332
Do., extra	.02	2	26,666
Cent. Patricia G.	.04q	2	100,000
Do., extra	.02	2	50,000
Dome Mines	■.50q	20	973,334
Hollinger Cons.	.05	28	246,000
Kootenay Belle	.02q	22	13,504
Lamaque Gold	.10q	1	300,000
McIntyre Porc. (ext.)	1.11	2	885,780
Moneta Porc.	.03q	15	76,315
Naybob Gold	▴.01	15	43,703
Pioneer Gold	.10q	2	175,175
Premier Gold	.03q	15	150,000
Preston E. Dome	.05q	15	150,000
Do., extra	.05	15	150,000
Sheep C. Gold	.04q	15	75,000
Silbak Premier	.04q	25	100,000
Spud Val. Gold	.02	10	42,000
Teck Hughes	■.10q	1	480,714
Wr. Hargreaves	.111	2	610,500
Do., extra	.555	2	305,250
Do., interim	.111	20	610,500
Total			5,991,873

Oil Companies

Company:	Rate $	Date	Amount $
Brit. Amer. Oil	.25q	2	693,160
Canadian Oil, pf.	2q	2	40,000
Four Star Pete.	.01	15	10,000
McColl- Fron., pf.	1.50q	15	116,556
McManus Pete.	.30	3	4,800
Do., pref.	.30s	3	2,953
North Star Oil, p.	.08¼q	2	17,500
Supertest Pete., c. ord.	.50s	2	55,000
Do., extra	.25	2	27,500
Do., pref. B	.75	2	6,000
Thayers, pref.	2.50	1	23,800
Total			997,269

Financial

Company:	Rate $	Date	Amount $
Bk. of Nova Scotia	3q	2	360,000
Brit. Mortgage	4s	2	40,000
Brockville Trust	.62½q	2	6,250
Do., extra	.37½	2	3,750
Can. Perm. Mtge.	2q	2	140,000
Canada Life	5q	2	50,000
Canada Trust	3s	2	30,000
Can. Fire Insur.	2s	2	40,000
Can. For. Invest., pf.	2q	1	17,048
Can. Gen. Invest.	.12½q	15	75,073
Can. Indemnity	3s	2	15,000
Do., bonus	2	2	10,000
Cent. Can. Loan	2q	2	50,000
Chartered Trust	1q	2	10,000
Crown Life	3%	2	8,352
Deb. & Secs., pref.	2.50s	1	6,607
Dominion Fire	3s	2	9,000
Do., extra	2	2	6,000
Eastern Trust	2q	2	6,800
Excelsior Life	4%	2	6,800
East. Can. Savings	2.50	2	18,750
Ensign Insur.	1.50s	2	10,800
General Trust, p.	1.25q	15	13,750
Guar. of N. Amer.	1.50q	15	9,138
Do., extra	2.50	15	15,230
Great West Life	3.75q	2	37,500
Guelph & Ont. Inv.	1.50s	2	28,956
Guelph Trust	1.25s	2	28,956
Guaranty Trust	1.25q	15	3,125
Halifax Fire	.50s	2	100,000
Huron & E. Mtge.	1%q	2	50,000
Imperial Life	3.75q	2	37,500
Indust. Mortgage	1s	2	12,700
Invest. Found., pfd.	.75q	15	22,177
Lambton Loan	1s	2	15,795
Landed Banking	1q	2	10,000
Midland Loan	.40s	2	14,400
Mtl. C. & D. Sav.	3q	2	60,000
Do., extra	1	2	20,000
Manufacturers Life	6s	2	90,000
Monarch Life	1.20a	2	12,088
National Trust	2q	2	60,000
Ontario Loan & D.	1.25	2	50,000
Real Est. Loan	1s	2	5,000
Securities Hold., p.	.65s	2	11,964
Sterling Trusts	1.50s	2	12,000
Sun Life Assur.	3.75q	1	75,000
Tor. Gen. Trusts	1q	2	30,000
Toronto Mortgage	1.25q	2	24,662
Traders Fin., A rts.	1a	2	13,851
Do., B, rights	1a	2	6,388
Do., pref.	1.50q	2	36,801
Do., 7% pref.	1.75q	2	11,203
Trusts & Guar.	2s	2	25,350
United Bond & Sh.	.15q	15	3,953
Western Assur., pf.	1.20s	2	18,000
Total			1,877,523
Grand Total			22,897,902

q—Quarterly. s—Semi-annually. a—Annually.

†Payable in U. S. funds.

■Subject to approval by Foreign Exchange Control Board.

°Arrears eliminated after this payment.

♦Subject to approval by Securities and Exchange Commission.

▴Initial.

Monarch Shipping Ore To Flin Flon Smelter

From Our Own Correspondent

WINNIPEG. — Monarch Gold Mines at Beaver Lake is shipping ore to the Hudson Bay Mining and Smelter Co. at Flin Flon. O. G. MacDonald is in charge of operations. The ore is coming from a quantity of several hundred tons broken in a previous operation and estimated to contain from an ounce to an ounce and a half of gold per ton.

Shipments to the Hudson Bay Mining Company's smelter are also being made from the Henning Maloney property under the direction of J. W. Callinan. Grade so far is reported as having been entirely satisfactory.

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Jason Ore Rich In Camrock Drift

Faces Continue in High Grade After Four Rounds

Drifting to the north toward the boundary with Camrock Mines at the second level of Jason Mines has recently run into high grade ore at a point roughly about 200 ft. from the boundary.

The first face going north in the new shoot went $18.20 over 15 inches with another sample from the same face running $33.60 over the same width. The next face went $25.90 over 13 inches with another sample taken running $18.90 over 9 inches. The next face went $26.60 across 17 inches while the succeeding face gave $126.70 over 8 inches and $81.90 over 36 inches. The face continues in ore.

A flow of water has been encountered and work has been suspended until it is sealed off.

Bowater's Cut Higher

MONTREAL. — Bowater's Newfoundland Pulp & Paper Mills Ltd. exceeded its proposed cut of wood by 31,302 cords in 1939-40. Total cut amounted to 418,302 cords, against an estimated cut of 387,000 cords.

Bank of Canada Assets Higher

Further expansion in credit is indicated in an increase of almost $24 millions in assets shown by the Bank of Canada for the week ended Dec. 31.

This expansion is evidently due to the greater activity in business.

Short-term investments rose $13.5 millions, reserves of sterling and United States exchange $9 millions and other assets $2.6 millions. Long-term investments were down about $1 million.

Balance Sheet

	Dec. 31 1940 $	Dec. 30 1939 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	359,949,121	359,860,151
Rest fund	2,449,757	2,449,757
Depos.: Dominion	10,879,951	10,284,158
Bank	217,738,289	212,468,907
Other	9,514,892	5,272,123
Total deposits	238,133,132	228,025,188
All other liabs.	21,046,717	7,397,291
Total liabs.	626,578,727	602,732,385
Assets		
Reserve:		
In sterl. & U. S.	38,429,278	29,615,745
Subsidiary coin	596,312	617,021
Investments:		
Dom. Gov. short	448,439,973	434,960,343
Other Dom. Gov.	127,323,189	128,288,683
Total invest.	575,763,162	563,248,939
Premises	1,703,272	1,738,083
All other assets	10,084,703	7,492,590
	626,578,727	602,732,385

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Deeper and Richer at Kerr-Addison

Huge Ore Volume Found in Deepest Work — Mill Goes To 1,800 Tons On Jan. 20—Opening Three New Levels

Unbroken Growth Is Record of Company Since Milling Started in 1938 — Mine Keeps Ahead Of Mill Capacity

By GORDON M. GRANT
Staff Writer, The Financial Post

This month the milling rate of Kerr-Addison Gold Mines is scheduled to reach its objective of 1,800 tons daily, 50% higher than was in effect during 1940. The increase will mean that milling facilities have been tripled in a little over a year.

In spite of this rapid increase in mill capacity — and earnings — it is doubtful if the milling rate has been boosted as rapidly as the ore resources of the mine. When the decision to go to 1,800 tons daily was made at the end of last July, results on the big block of ground from 700 to 1,300 ft. depth were just beginning to come in. Since then work has been indicating a greater concentration of ore at depth than has been proved on the upper horizons of the mine.

The story of Kerr-Addison reads almost like a fairy tale. When the present company was formed in 1936, the property was considered to have possibilities of opening up a tremendous tonnage of very low-grade ore—ore that might yield a profit of only a few cents a ton after all charges. Thirty years before, promoters had reported unbelievably rich drilling intersections, but these were thought to be just products of the imagination.

Results under the present company, however, proved really bright from the start. The driving of adits revealed a large tonnage of ore running much better grade than anything anticipated. Since that first work near surface, Kerr-Addison has enjoyed steady growth. There has not been a single step backward, nor does there appear to be any on the horizon at this time. Expansion has been rapid, but the management has always looked ahead to the future.

Results at 1,300 ft.

Following completion of shaft sinking from 700 to over 1,600 ft. back in 1939, stations for new levels were established at 150-ft. intervals. Crosscutting to the ore zone was then completed at the 1,000 and 1,300-ft. horizons with the 1,300-ft. level so far receiving most of the depth work.

While development of known ore bodies is still incomplete, drilling at the 1,300-ft. level now shows around 7,000 tons of ore per vertical foot. Early in 1940, the 700-ft. level—then the deepest opened up—had been reported to be the best in the mine. This 700-ft. level, however, had shown only 5,900 tons of ore per vertical foot as compared with the 7,000 tons for the 1,300-ft. level. If results at 700 and 1,300-ft. levels indicate ore intervening and for a further 100 ft. of depth, 5 million tons of ore may be expected in that section—or enough to last the mill for 7½ years at the new 1,800-ton milling rate.

Ore For Six Years

But enough work has not yet been done to justify this assumption. Work at the 1,000-ft. level has been behind that at the 1,300-ft. horizon and results are just now coming in. Taking the mine as a whole, however, it is estimated that there is now better than six years ore ahead at the 1,800-ton milling rate down to the 1,400 ft. horizon. This ore estimate may be revised sharply upward with work now under way.

Open Three More Levels

Speeding up development at depth, crosscuts are going out to the ore zone at 850, 1,150 and 1,450-ft. horizons, levels which were not opened up in first work at depth. After the ore zone is reached on these levels, line drives will be put out and drilling will be done from the drifts to determine dimensions and grade of the various ore bodies. The method used is drilling a flat hole, an up hole and a down hole at 75-ft. intervals along the drift.

It will necessarily be some time before ore news starts coming in at the 1,150- and 1,450-ft. horizons, but in the interval further ore news may be expected at both the 1,300 and 1,000-ft. levels.

No. 21 Body Important

For instance, at the 1,300-ft. level the No. 21 ore body—the most important at this level—shows a length of 1,100 ft. plus averaging $7.35 uncut and $5.95 cut over 46 ft. ($35 gold). It is still open to the east with 300 ft. to go before the east boundary with Chesterville is reached. A Chesterville drill hole at an upper horizon suggests that the Kerr-Addison ore will carry right through to the boundary. Even without this extension, however, the ore body shows 4,545 tons of ore per vertical foot.

No. 16 ore body at this horizon, which has been opened up for 800 ft. showing 1,600 tons of ore per vertical foot of $7.35 uncut or $6.16 cut grade, is also still continuing in ore. No. 14 ore body farther to the north has 1,085 tons of ore per vertical foot averaging $21.12 uncut or $12.27 cut with a possible extension of 400 ft.

Besides these ore bodies, exploration of other ore bodies, such as No. 19 and No. 17 to the north, has yet to be undertaken at either the 1,300 or 1,000-ft. level. These ore bodies contributed considerable ore at the upper horizons.

Ore Is East of Shaft

Most of the ore at the lower horizons has been opened up in the section of the mine east of the shaft, whereas most of the ore down to the 500-ft. level was found west of the shaft. Little work west of the shaft has been done below the 700-ft. level but a line drive has been put out a short distance to the west at the 1,300-ft. level. One length of 70 ft. gave ore grade and several other spots gave interesting assays, but drill exploration for ore bodies from this drive has yet to be carried out.

Two Sets of Conditions

Apparently the ore west of the shaft at Kerr-Addison Gold Mines occurs under a different set of conditions to that to the east at the lower levels. Ore bodies west of the shaft have a steep dip to the north, occurring in altered carbonate rocks, while the ones to the east occur in a different general structure. They are in footwall volcanics which are lava flow rocks. Individual ore bodies in the eastern part of the mine appear to rake in from Chesterville ground on a local plunge but in view of the different conditions under which ore bodies occur, it is not felt reasonable to postulate any conclusion as to a general rake of the ore zones to the east as depth is reached until further development is completed.

Sink To 3,150 ft.

Recently the company made a decision to carry the shaft from the 1,450-ft. level down to 3,150 ft. It is expected that a crusher will be installed at 2,800 ft., a pumping station at 2,950 ft. and loading pockets at 3,050 ft. The sinking job is expected to require about two years before opening the series of new levels can be started. About another year will be required for ore and waste passes.

This big development programme will likely result in higher costs than would otherwise be the case for the next two years. After that operating costs may go below $3 a ton.

Although ore exposures at depth have been impressive, the need of shaft capacity for development will likely postpone any further major expansion for some time to come. Another grinding unit might lift capacity around 10 or 15% above the 1,800-ton rate but that would likely be the limit of the present mill. The company feels it unwise to plan too far ahead of what can be seen.

$3.5 Millions Recovery

Production in 1940 was slightly over $3.5 millions with recovery just under $8 a ton for the year. This indicates a slightly lower fourth quarter. Average mill heads proved higher than anticipated during the year. This was not due to high-grade development ore encountered — although some of this was secured—but was chiefly due to mining being in better ore than had been anticipated. From experience it appears that ore runs about an eighth higher than cut assays, allowing 10% for dilution. All assays over $25 an ounce are cut to that figure.

Production over the long term is expected to average what the mine assays show — 0.2 oz. gold per ton. This works out at $7.70 a ton at $38.50 gold. Tails will make recovery slightly lower than this figure. Based on this recovery, output in 1940 is expected to be around $5 millions with the mill expected to go to 1,800 tons daily on Jan. 20. Some of the first items of new equipment were expected to turn over on Jan. 5.

Treatment of a larger tonnage will undoubtedly offset to a certain extent the increase in costs due to the enlarged programme of development being carried out.

Earnings 45 cents Plus

Milling a larger tonnage means that certain economies can be made that would not otherwise be the case. With production of $5 millions expected this year, a sharp increase in profits appears indicated despite development costs. Estimates of profits in 1941 vary from 45 cents a share to over 50 cents a share. Toward the end of next year the company loses its tax exemption as a new producer, but some consideration may be received by the company as a gold mine which has been expanding output rapidly during wartime.

At the present time dividends are being paid at the rate of 20 cents a share per annum in quarterly dividends. With earnings to be around the 50-cent mark in 1940—if expectations are realized—a doubling of the dividend rate is a possibility. Directors, however, may want to temper dividend policy due to the prospect of higher taxes in 1942 with the company's exemption over.

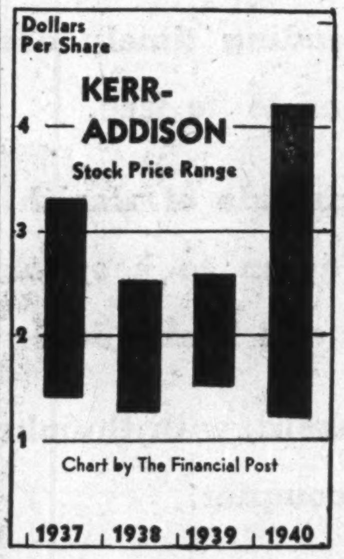
Working Capital Gains

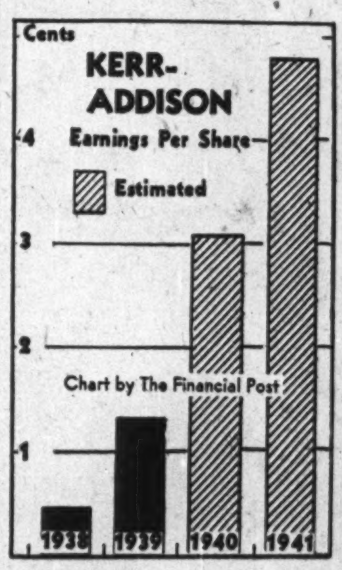
From the working capital viewpoint, the company is in excellent shape to be generous in dividend payments. In spite of 15 cents a share or $709,545 paid out in dividends in 1940, and total of over $750,000 spent on extensions to plant, it is believed the company finished last year with a working capital over $600,000 compared with only $137,876 a year earlier. No further major items of capital expenditure are in the offing for the near future and dividends are expected to be the only important outlay.

Follow Definite Plan

Commencement of a programme of depth development is a continuation of the Kerr-Addison plan to keep the mine well ahead of the mill. This policy has been followed ever since production was commenced in 1938 and while profits may have been lower because of high costs in the past, the company is now capitalizing on these past expenditures. Aggressive development has revealed the true potentialities of the Kerr-Addison mine much more quickly than if the company had been willing to sit back, satisfied with slow growth. Continuation of the programme of large scale development means that further possibilities will be tested relatively quickly. In the early stages of development, expansion had to be geared to the finances available. That stage is over now.

In a mine like Kerr-Addison where a huge tonnage of ore is mined and treated every day, supplies for both mining and milling are important items and the management endeavors to keep a supply of everything on hand to forestall any possible shortage. Pictured above is a load of steel drills at Kerr-Addison. Steel for mines now ranks in the same priority classification as steel for new munitions plants.





Upper Canada Crosscuts On Two Deepest Levels

Following completion of shaft sinking from 750 to 1,000 ft. in depth, Upper Canada Mines is now crosscutting toward the ore zone on the 875 and 1,000-ft. horizons, President R. R. Brown informs The Financial Post.

Before work was carried to the present depth, diamond drilling revealed the downward extension of the ore zone to 1,200-ft. depth so that present work is not proceeding into unknown territory.

Lateral exploration on the upper horizons of the mine continues to give very satisfactory results, it is stated. The "H" zone is the most important ore source opened up so far with more work completed on it than any other zone. The other two ore zones have not yet been completely developed and either might eventually prove more important than the "H" when further work is done.

Work completed on the 625 and 750-ft. levels—the deepest developed—shows them to be the best levels so far opened. Most of the work has been carried out in the eastern section of the mine at these levels and there is at least as much territory to the west which drifting results on the 125 and 250-ft. levels showed to contain good ore. The 125 and 250-ft. levels west drifts are out the farthest west but drifting is now proceeding west on the 375, 500, 625 and 750-ft. levels into what may be described as highly favorable ground. The 375-ft. level drift is the farthest advanced of the lower level drifts.

Diamond drilling has been carried out recently for a distance of 1,500 ft. to the west of the mine workings at surface and the ore zone has now been indicated for a total length of 3,700 ft. by drilling and drifting with the zone opened up underground for a length of about half a mile.

Bulk of the ore for milling is being drawn from the company's three ore zones above the 500-ft. level. Only a relatively small proportion of the known ore has been extracted from any one level.

Emphasis at Upper Canada has been on steady growth rather than bringing the milling rate up sharply. The mine development has been kept well ahead of milling requirements. If a shortage of labor is encountered, mining of ore could be continued for years without carrying on further exploratory development, it is believed.

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Position of Chartered Banks of Canada as of November 30th, 1940, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere*
	$	$	$	$	$	$	$
Montreal	19,558,755	38,147,305	20,437,447	....	251,615,392	424,505,039	89,232,094
Nova Scotia	9,104,716	4,690,441	1,753,206	....	66,725,484	150,510,561	39,941,266
Toronto	3,427,259	3,817,311	1,623,030	....	48,047,051	86,918,382	337,434
Provinciale	2,651,448	1,203,048	320,195	....	9,298,647	37,051,241	9,638
Commerce	16,974,763	13,244,158	20,327,008	....	183,728,763	316,961,481	65,593,697
Royal	25,103,351	20,462,766	15,065,374	....	273,159,420	336,043,662	195,403,464
Dominion	4,401,049	3,441,807	813,368	....	38,519,999	76,958,582	4,999,811
Nationale	4,181,135	2,446,853	2,747,297	....	35,896,946	98,139,035	446,533
Imperial	5,034,970	4,922,661	10,367,116	....	51,578,107	92,826,489	287,453
Barclay's (Canada)	465,650	3,273,404	43,512	....	3,922,530	5,963,951	2,532,533
Total	90,903,096	95,649,754	73,497,553	....	962,492,339	1,625,878,423	398,783,923

NAME OF BANK	Bal. due to other Banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up
	$	$	$	$	$	$	$	$	$
Montreal	3,896,838	11,038,339	7,183,842	....	12,863,442	3,893,280	739,859	39,000,000	36,000,000
Nova Scotia	2,622,506	2,205,549	1,281,386	....	7,585,697	28,773	365,390	24,000,000	12,000,000
Toronto	154,987	851,499	417,911	....	1,761,343	....	150,522	9,000,000	6,000,000
Provinciale	....	....	21,439	....	16,059	3,848	62,531	1,000,000	4,000,000
Commerce	594,995	3,511,618	6,044,798	....	20,461,937	....	55,882	20,000,000	30,000,000
Royal	215,956	2,546,861	9,500,689	43,013	18,003,678	1,094,939	729,000	20,000,000	35,000,000
Dominion	1,154,593	1,081,701	601,652	....	3,371,820	585,111	5,629	7,000,000	7,000,000
Nationale	1,685,885	132,867	340,303	....	591,943	37,293	144,182	5,000,000	7,000,000
Imperial	1,101,862	1,139,782	629,868	....	2,196,440	....	10,060	8,000,000	7,000,000
Barclay's (Canada)	105,399	3,756,917	820,742	....	440,937	....	....	750,000	1,500,000
Total	11,533,021	26,265,133	26,842,630	43,013	67,293,296	5,643,244	2,263,055	133,750,000	145,500,000

SUPPLEMENTARY INFORMATION

NAME OF BANK	Total Liabilities	Capital Authorised	Capital Subscribed	Last Dividend	*Loans to Directors and firms of which they are Partners	Average Notes and Deposits with Bank of Can.	Greatest Amount of Notes in Circ.
	$	$	$	%	$	$	$
Montreal	958,111,635	50,000,000	36,000,000	8	485,245	84,280,608	20,213,600
Nova Scotia	322,814,980	15,000,000	12,000,000	12	2,718,211	24,370,000	9,104,716
Toronto	162,506,733	10,000,000	6,000,000	10	453,365	16,095,308	[illegible]
Provinciale	55,638,099	5,000,000	4,000,000	6	241,624	8,652,056	[illegible]
Commerce	697,499,105	50,000,000	30,000,000	8	1,475,277	55,361,444	17,891,077
Royal	952,372,179	50,000,000	35,000,000	8	1,650,021	71,630,365	26,075,006
Dominion	149,935,127	10,000,000	7,000,000	10	609,453	15,445,366	4,861,154
Nationale	158,790,276	10,000,000	7,000,000	8	366,491	16,044,699	4,521,695
Imperial	185,094,812	10,000,000	7,000,000	10	577,570	12,365,469	5,034,970
Barclay's (Canada)	23,575,579	1,500,000	1,500,000	....	2,957	1,363,947	508,835
Total	3,666,338,525	211,500,000	145,500,000	....	8,580,214	305,609,263	95,902,460

*Of this amount, $45,730,278 represents deposits in Canada in currencies other than Canadian.

*And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin Held in Canada	Gold and Subsidiary Coin Held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of Other Banks	Govt. and Bank Notes other than Canadian	Cheques on other banks	Balances due by other banks in Canada
	$	$	$	$	$	$	$	$
Montreal*	1,419,634	78,541	22,497,340	60,340,109	865,975	476,634	31,138,405	2,780
Nova Scotia	405,204	1,118,835	5,738,719	17,536,014	228,042	5,421,945	10,656,747	....
Toronto	243,642	....	3,633,858	13,017,779	119,150	39,364	6,691,992	....
Provinciale	272,985	....	1,975,893	6,008,899	120,845	29,441	2,164,619	....
Commerce†	888,603	141,507	11,905,926	40,386,564	448,774	1,381,794	19,881,575	595,801
Royal‡	1,740,043	2,347,655	17,066,558	65,020,125	774,981	20,078,000	29,171,678	2,832
Dominion	291,542	325	2,631,921	10,454,838	282,455	123,314	5,187,579	4
Nationale§	596,651	....	4,791,841	10,809,212	114,325	29,781	6,131,481	2,052,000
Imperial	329,178	....	5,499,226	6,130,816	208,705	65,430	9,649,659	642,203
Barclay's (Can.)	2,350	....	103,742	1,489,142	4,360	6,115	417,293	1,003,750
Total	6,189,832	3,686,863	75,844,824	231,193,497	3,167,612	27,651,818	121,091,028	4,299,370

NAME OF BANK	Due by banks in U.K.	Due by banks elsewhere	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities	Public sec. other than Can.	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere
	$	$	$	$	$	$	$	$	$
Montreal*	3,171,988	48,008,519	233,941,483	172,381,806	20,224,495	12,586,345	25,580,187	4,213,537	18,326,029
Nova Scotia	6,120,661	10,271,278	52,705,294	59,263,516	11,128,231	766,158	10,829,046	3,373,109	204,431
Toronto	175,101	2,501,471	24,796,269	44,256,524	5,138,860	....	3,791,636	1,232,005	....
Provinciale	53,047	723,767	1,915,752	6,640,081	12,250,477	....	1,305,660	3,481,122	....
Commerce†	5,285,369	31,162,333	101,976,292	111,787,787	10,569,806	20,973,000	18,677,990	9,220,837	8,001,426
Royal‡	21,235,688	49,153,823	201,132,212	110,700,896	7,314,592	9,421,620	32,155,514	10,243,943	7,394,239
Dominion	2,089,312	3,319,391	23,801,974	12,669,835	2,219,204	222,500	1,882,029	2,197,050	1,398,267
Nationale§	1,412	1,604,745	14,154,451	25,722,041	16,568,184	9,673	4,542,458	3,960,933	....
Imperial	65,806	2,484,089	40,696,653	28,735,463	5,604,886	....	66,420	3,161,948	....
Barclay's (Can.)	1,890,103	2,282,442	4,546,705	6,807,662	1,000	....	....	226,125	....
Total	40,088,487	151,511,858	699,667,085	578,965,611	91,019,735	43,979,296	98,824,940	41,310,618	35,324,392

NAME OF BANK	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-Current loans	Real estate other than Bank premises	Mortgages on real estate	Bank Premises	Deposit for note circulation	Other assets	Total assets*
	$	$	$	$	$	$	$	$	$	$	$
Montreal*	220,894,826	15,777,994	1,915,181	33,953,434	1,199,738	520,975	480,403	13,900,000	1,075,362	1,658,193	959,493,168
Nova Scotia	93,683,637	13,842,263	363,693	3,842,992	442,183	....	83,410	6,048,987	445,823	2,667,380	324,773,311
Toronto	50,775,854	....	....	3,799,790	65,216	....	13,556	3,240,150	187,406	....	165,480,977
Provinciale	13,326,110	....	4,778	2,396,028	83,407	492,750	293,611	2,074,609	140,978	115,985	55,837,091
Commerce†	219,803,410	17,697,877	9,960,085	15,154,978	1,831,501	2,379,229	1,085,920	14,200,544	847,000	4,316,362	701,024,243
Royal‡	229,451,217	79,277,395	999,795	18,374,506	1,783,249	2,109,633	717,489	14,446,007	1,340,000	4,112,854	955,570,326
Dominion	71,280,269	984,198	....	377,693	185,990	29,072	48,274	5,487,974	261,050	202,615	151,001,413
Nationale§	49,586,894	....	106,748	9,880,088	187,740	1,719,068	572,012	4,528,654	251,767	162,403	159,041,314
Imperial	68,577,273	....	454,971	4,842,712	328,758	72,349	302,688	5,731,632	258,327	38,683	[illegible]
Barclay's (Can.)	3,896,792	....	....	....	7,223	....	....	450,000	20,556	....	23,396,308
Total	1021,276,282	127,579,727	13,805,251	92,622,309	6,115,095	7,322,976	3,597,368	70,493,647	4,829,171	13,274,480	3,682,028,378

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*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

‡The assets and liabilities of the Royal Bank of Canada (France) are not included in the above return.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale (France) are not included in above return.—Footnote to Banque Canadienne Nationale return.

*Total assets include $67,293,296 letters of credit as shown in liabilities.

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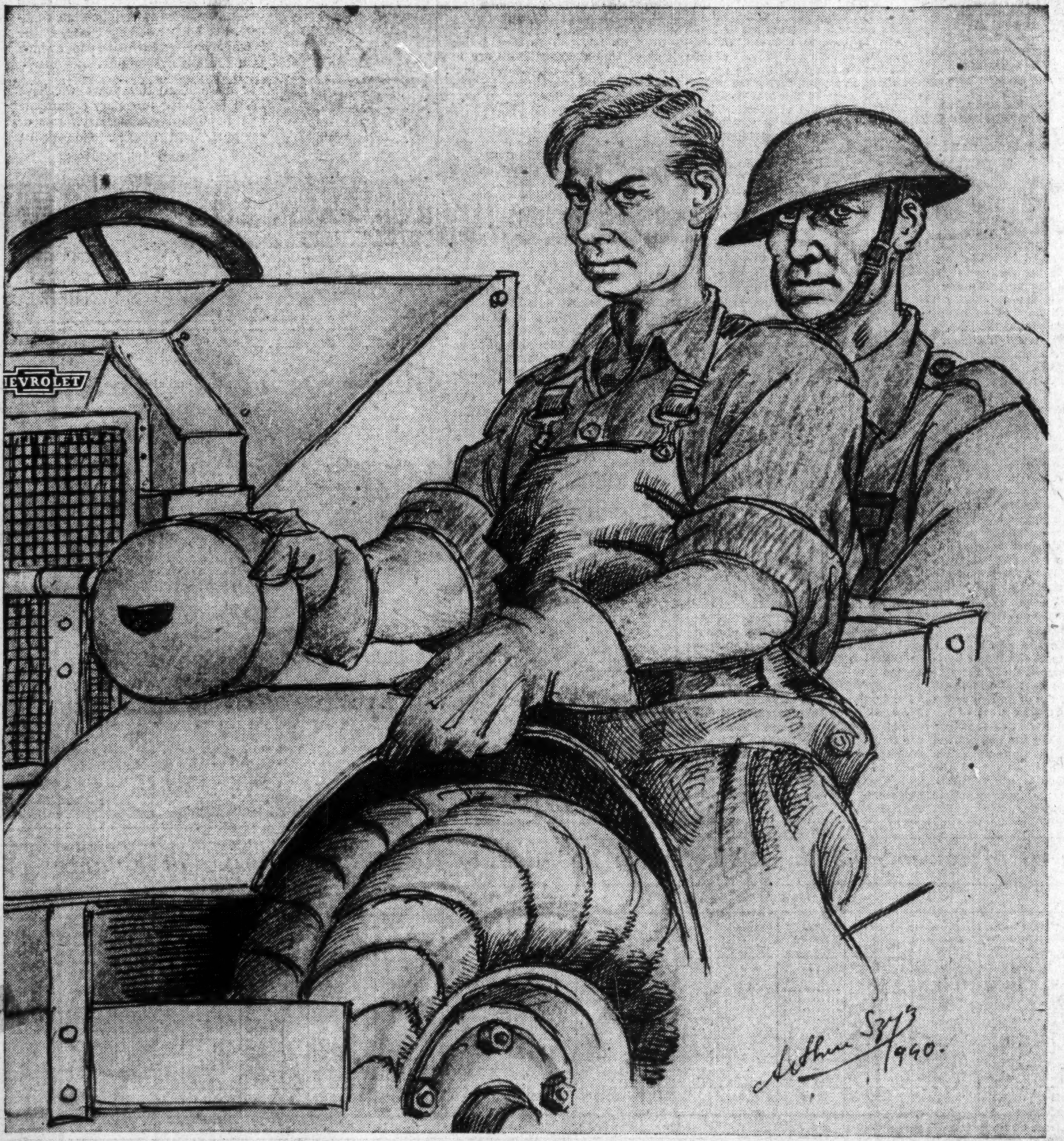

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This tide of wealth, loaned to the government, flows back again to keep chimneys smoking, wheels turning, hands and hearts dedicated to victory.

Labour, with thumbs up, is invincible. By this sign we shall conquer.

← *This illustration was drawn by* ARTHUR SZYK, *world-renowned Polish artist, now an exile from the Nazi domination of his native land. Mr. Szyk made this drawing after a visit to General Motors' plant at Oshawa, Ontario.*

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